Daily Report

East Europe

FBIS-EEU-93-186
Tuesday
28 September 1993

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FBIS-EEU-93-186 *28 September 1993*

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UN: 4.2 Million Face Famine in Former Yugoslavia

AU2709142993 Paris AFP in English 1421 GMT 27 Sep 93

[Text] Rome, Sept 27 (AFP)—More than 4.2 million people in former Yugoslavia are threatened by famine this winter if international contributions are not forthcoming rapidly, the World Food Programme (WFP) said Monday [27 September].

Some 86 percent of needs up to the end of the year have been covered, but the situation after January 1 is much more uncertain, the UN organisation said.

For the first six months of next year needs are evaluated at 450,310 tonnes of food, but only 17 percent of this total has so far been promised by donor countries.

The WFP has been responsible for the past year for delivering all the food aid being distributed in former Yugoslavia, which is torn by civil war.

Conference on Drugs, Crime Opens in Sofia

AU2309154593 Sofia BTA in English 1459 GMT 23 Sep 93

[Text] Sofia, September 23 (BTA)—A two-day international conference on combatting drugs trafficking and organized crime was opened here today by German Deputy Interior Minister Bernd Schatenberg.

The conference is attended by police experts of 24 European states, including representatives of the Dublin group uniting the countries of the European Community and of the special services of the countries of central, eastern and southeastern Europe. It is also attended by experts of the UN International Drugs Control Commission.

The working conference is hosted by the Bulgarian Ministry of the Interior. In his introduction Bulgarian Interior Minister Viktor Mikhaylov said that Bulgaria is honoured to host this conference, which will be chaired by Germany and Greece.

The Bulgarian Interior Minister said that Bulgaria is particularly sensitive to illegal production, trafficking and trade in narcotic drugs. He stressed the readiness of the Bulgarian Ministry of the Interior to combat these crimes, which has found expression in its national strategy against this threat to society.

Interior Minister Mikhaylov said that a new national criminal code and a narcotics bill is being drafted in which the problem of narcotics will be tackled in conformity with the new conditions in this country and the international agreements in this field.

The Bulgarian delegation is headed by Major-General Kosta Bogatsevski, chief secretary of the Ministry of the Interior. He told journalists that the decision for the conference to be held in Bulgaria is a recognition on the part of the international organizations of the role of this country in combatting drugs trafficking and organized crime.

General Bogatsevski pointed to the joint action of the Bulgarian and German special services this spring, which lead to the rout of a large organization owning a secret laboratory for the production of amphetamine, as an illustration of international cooperation in combatting drugs-related crimes.

The conference continued behind closed doors.

Zhelev: BSP, SDS on 'Same Side of Political Spectrum'

AU2709105993 Sofia BTA in English 0959 GMT 27 Sep 93

[From BTA press review]

[Text] Sofia, September 27 (BTA)—The private 168 CHASA weekly runs an extensive interview with President Zhelyu Zhelev in which he comments on the political processes in Bulgaria. "This country is in an absurd situation. There are two influential political forces—the Union of Democratic Forces (SDS) and the Bulgarian Socialist Party (BSP)—which are incorrectly believed to be on opposite poles. Actually they belong to one and the same side of the political spectrum," Dr. Zhelev says. According to him, the SDS and the BSP emerged as typically restoration powers—the ideal of the SDS is Bulgaria of the 1930's (when this country was a monarchy), and the ideal of the BSP is Bulgaria after the April Plenum of the Communist Party (1956). The president draws a parallel between the leadership of the SDS and the BSP. According to him, the National Coordinating Council (the supreme political leadership of the SDS) is a typical politburo of the Stalinist era. Similar signs can also be observed in the BSP, though they are more skilfully disguised. Dr. Zhelev believes that the parliamentary group of the ethnic Turks' Movement for Rights and Freedoms (DPS) includes some of the best politicians in this country. According to him, the New Union for Democracy (MP's who split from the parliamentary faction of the SDS early this year) belongs in the ranks of the democratic forces.

Asked to comment on the victory of the Polish left-wing in the parliamentary elections, the president said that if this happens in Bulgaria it would be a catastrophe for this country. "We cannot just stand and watch the old Communists come to power and not undertake anything," Dr. Zhelev said, and added that he had this in mind when a month ago he launched the idea for restoring the old parliamentary majority (of the SDS and the DPS).

The socialist DUMA and the private OTECHESTVEN VESTNIK run commentaries on Dr. Zhelev's interview.

According to DUMA, "Dr. Zhelev's claims that the BSP and the SDS belonged to one and the same side of the political spectrum and that they are typically restoration powers show that his notion of the BSP dates back to the time when he was its active member." "His attitude to the SDS can also be explained by black-and-white patterns of thinking characteristic of the 1950's," the commentary in DUMA reads.

"President and Capital Embrace" is the headline of the commentary in OTECHESTVEN VESTNIK, according to which the financial and economic groupings are now coming on stage and building their public image. Dwelling on the initiatives of the groupings over the past several weeks, in which they identified themselves as candidates to take over the responsibility for this country, this daily points out that so far large capital lacked a figure to provide political guarantees that this move would not be in vain. The fact that this figure emerged from anonymity a few days later comes to confirm the suspicions that if not planned this step had been coordinated with the office on 2 Dondukov Street (the address of the Presidency). In an interview for a paper of one of the major business groupings, the president distanced himself once and for all from the two major political forces, accusing them both of intolerance of any larger capital formation, the commentary in OTECHESTVEN VESTNIK reads.

BSP Dismisses 'Allegations of Recommunization'

AU2609210593 Sofia BTA in English 1923 GMT 26 Sep 93

["BSP Promises Continued Support to Berov Cabinet"—BTA headline]

[Text] Sofia, September 26 (BTA)—The Bulgarian Socialist Party (BSP) will continue to support the government of independent economist Lyuben Berov, as decided today at a meeting of the Socialist Party's top leadership and parliamentary faction.

A resolution carried by an overwhelming majority says that the Socialists will be more critical of the cabinet. They will judge whether the government qualifies for their support mainly on its performance in combating crime, political repressions and corruption, preserving the country's production potential, creating conditions for economic recovery and improving the living conditions for the people, the document says.

The Socialists believe that parliament has not used up its potential and can provide legislative support for the fulfillment of the government's programme. The resolution adopted at today's meeting says that the parliamentary BSP will insist on a priority passage of a package of economic and tax laws, legislation to crack down on crime and corruption, urgent social laws and laws stabilizing central and local government.

Early parliamentary elections remain Bulgaria's most probable prospect but they should not be premature, the resolution says. Therefore, in its activities the BSP will emphasize the problems in the pre-election period rather than the elections proper. Most probably, things will come to early elections next year, the participants in the meeting agreed.

The Socialists' former leader and incumbent party ideologue Aleksandur Lilov took the floor during the debate on early elections.

The resolution says that the BSP will seek to gain power, but this can be done only through democratic elections.

Allegations of BSP's recommunization were dismissed as gross manipulation. The Socialist Party's leadership

declared that the BSP is not a restorationist force. The Socialist Party rejects the president's unwarranted intervention on matters beyond his constitutional powers, the resolution says. The participants also voted a text which describes as unacceptable any attempts to exert unlawful pressure on the executive on the part of financial, economic and corporate structures.

Talks With IMF, World Bank Reported

AU2709200193 Sofia BTA in English 1932 GMT 27 Sep 93

[Text] Sofia, September 27 (BTA)—The Bulgarian delegation to the annual meeting of the International Monetary Fund and the World Bank, led by Finance Minister Stoyan Aleksandrov, today met in Washington with Michel Camdessus, managing director of the fund, national television said this evening.

The talks are expected to continue behind closed doors tomorrow. Both sides think it is the interest of negotiations not to make any announcements before the end of the meetings. The sides are to make a decision on the standing issue of a third standby arrangement between this country and the fund.

The Bulgarian delegation today began talks with Michael Wiehen, regional director for Bulgaria of the World Bank, which is to determine the future of the second tranche of the structural adjustment loan to Bulgaria. Ms. Evelin Hurskin, an IMF executive director, said that the talks are difficult yet not as much as those with the fund. According to her, the bank is ready to release the second tranche even before the final signing of a standby agreement, depending on the real steps taken by the Bulgarian Government.

According to national television's special correspondent Daniela Kuneva, there hardly are grounds for optimism. She believes there is understanding for the special situation Bulgaria is in, and satisfaction with the progress in important aspects of and concern over the general fate of the reforms.

Matinchev Explains Tobacco Industry's Problems

AU2409191393 Sofia BTA in English 1716 GMT 24 Sep 93

[Report by Ekaterina Kazasova]

[Text] Sofia, September 24 (BTA)—The government has not adopted a final strategy in respect to the tobacco industry and Bulgartabak, Deputy Prime Minister Evgeni Matinchev said at a briefing today. He said that next week there would be tough negotiations on the demands of tobacco producers for a 100-percent rise of tobacco purchase prices. The most persevering are tobacco producers from southeastern Bulgaria, where ethnic Turks prevail. Mr. Matinchev is representative of the ethnic Turks' Movement for Rights and Freedoms in the cabinet. The movement supported the demands and protests of tobacco producers. A solution has been sought for several weeks now, but no progress has been made at the negotiations.

In some regions the situation has reached a critical point because of lack of opportunities for switching over from tobacco production to other means of livelihood as a result of the low qualification of the population and the lack of funds for developing new productions. All this has further aggravated the problem, Mr. Matinchev said. According to him, there are people who are ready to move to other regions or abroad if no positive solution is found.

But if the government agrees to the demands of tobacco producers this would be a step towards the bankruptcy of Bulgartabak, a structure-determining enterprise in Bulgaria. According to the calculations made by Bulgartabak, the demanded rise in prices would make Bulgarian tobacco unsalable abroad, the deputy prime minister said, and indicated that he is inclined to agree with this conclusion.

The sales of Bulgarian cigarettes dropped from 17,000 tonnes in 1989 to 2,000 tonnes in 1993 as a result of an increase in imports. At the same time there are 102,000 tonnes of tobacco in the storehouses of Bulgartabak. Bulgartabak has lost its markets in the former Soviet republics, where it used to export 100,000 tonnes of tobacco a year. Though this year's yield is not expected to exceed 50,000 tonnes, Bulgartabak has signed purchase contracts for only one-third of it, mr Matinchev said.

According him the solution should be sought through elaborating a clear strategy of the government on the restructuring of Bulgartabak and the liquidation of its monopoly, in the establishment of flexible structures capable to react quickly to any changes in the foreign market, in protecting the home market from dumping policies of foreign tobacco monopolies, in diversifying the forms of ownership and in attracting foreign capital. A solution to the problems may be expected next week when discussions on the restructuring will start. The tobacco industry bill will probably be passed by mid-October and will regulate the development of this branch.

Tobacco producers, however, are exerting ever growing pressure on the government. At a session of the strikers today it was decided for 10,000 people to leave for Sofia to protest in front of the buildings of parliament and the Council of Ministers against the low tobacco purchase prices, the local BTA correspondent reported. At the same time, the remaining inhabitants will block the main roads in the region. This will be the third blockade of this kind in a week.

SDS Mayors Denounce Government's Local Policy

AU2709111993 Sofia DEMOKRATSIYA in Bulgarian 20 Sep 93 pp 1, 3

["Address" of Union of Democratic Forces [SDS] Mayors: "Fear and Hunger Are Returning"]

[Text] We, the mayors, **elected on the basis of the majority election system,** and chairmen of SDS municipal councils, are addressing the Bulgarian citizens, not only in our municipalities, but all over the country. We are appealing to those who are concerned about the country's well-being in the present and future.

We are addressing you in order to express our greatest **concern about the violation of the people's basic human rights** to their existence, health, and education. We are also warning once and for all that the **destructive relapses into the communist past, such as hunger and fear, are returning.** We would like to tell all of you that **the central administration, rather than the local authorities should assume the entire responsibility for these facts.**

As our basis we put forward the following arguments:

The Lyuben Berov government and the parliamentary majority formed by the Bulgarian Socialist Party [BSP], the Rights and Freedoms Movement [DPS], and the New Alliance for Democracy [NSD], which are supporting the cabinet, approved a budget that makes it impossible for the municipalities to guarantee even minimal resources for the population's subsistence. We said so as early as the budget was passed, and experience has confirmed our statement. Nevertheless, the cabinet and the pro-communist parliamentary majority are blaming the municipalities.

The budget does not allow the municipalities to pay the wages of physicians and to allocate means for the purchase of medicines and consumable medical supplies. As a result of this, we are threatened with the need to close down local hospitals, which would drastically affect the people's health.

The budget also makes it difficult for the municipalities to pay teachers' wages and to allocate financial means for the repair of school buildings and kindergartens, which have already opened for the new school year. **Our children are in danger of suffering from the cold in unheated classrooms during the winter—and, what is even worse—being without education.** The elementary safety regulations prescribed by the police and the fire department cannot be observed.

The municipalities are deprived of the means to help people survive during the winter season by granting them social assistance in the form of allowances for heating and for paying their electricity bills, which are expected to increase as of 1 October 1993.

The winter conditions of 1994 may turn out to be similar to those of 1990.

Fear is approaching. It is instilled with the tested methods of communist terror. This is how they are operating:

The people's restituted property is jeopardized by amendments to the Land Act and to the Law on Restitution.

People are dismissed from their jobs solely for contributing to the country's democratic development. The discrimination against the members of liquidation councils in the rural areas is a typical example in this respect.

The BSP, through its propagandists and its government, is conducting a mass campaign for the restoration of labor cooperative farms under the form of new cooperatives.

Celebrations of communist anniversaries that parliament has already canceled from the nation's calender are being revived.

The confiscated property of the former Bulgarian Communist Party [BCP], of the Komsomol, and of other totalitarian organizations is being illegally restored to serve the interests of the rulers.

Censorship has been established and overt communist propaganda is promoted in the national mass media.

Referendums are staged in violation of the Constitution, with the purpose of sabotaging the legitimately elected local government.

Government decrees and resolutions aimed at suppressing the revival of small and medium-sized private enterprises in the country are being enforced.

No measures whatsoever are being applied against the widespread and constantly increasing crime rate.

For all this we are blaming Lyuben Berov's irresponsible government and the parliamentary majority controlled by the BSP. Instead of collecting taxes from profiteers and crooks who are constantly and illegally enriching themselves in our country today, the government is cutting down the resources that guarantee the people's basic human rights in every democratic state.

We declare that we cannot remain inactive in the face of the current crisis, which the people can no longer sustain. We insist that the cabinet, parliament, and the president of the Republic should adopt all necessary measures, by 1 October 1993, in updating the budget subsidies for the municipalities for the sake of guaranteeing the citizens' basic human rights to existence, health, and education.

Unless they do so, we, assuming the entire responsibility of local administrators, directly elected by the people, shall appeal to the citizens for legal action aimed at self-preservation in view of the forthcoming economic and political winter.

Sofia, 19 September 1993.

Article Views Macedonia's New Pro-Americanism

AU2509161793 Sofia 24 CHASA in Bulgarian 20 Sep 93 p 8

[Article by Yordan Chkatrov: "Macedonians Make Up to Americans"]

[Excerpts] The presence of U.S. troops on Macedonian soil for little more than a month has been quite enough to turn the president, ministers, authorities, and journalists in Skopje into pro-Americans. The small marks of attention that Washington has paid to the young independent republic; the promises of compensation for the losses from the Yugoslav embargo, which Skopje is not quite punctilious in observing; the reports of Les Aspin's visit; the moving reportage on the setting up of U.S. posts on the border with Yugoslavia—all this forms only part of the Skopje leadership's reorientation toward its latest and now sole big brother. The results of this reorientation have not been slow in revealing themselves.

President Gligorov has forgotten his words of gratitude to Bulgaria, which was the first state to recognize the independence of the Republic of Macedonia and thereby declared that it has no territorial claims against the new state in the Balkans. [passage omitted]

Instead of showing regard for Bulgaria and a desire for good-neighborliness, Skopje is kindling an anti-Bulgarian campaign that would be the envy of the supporters of anti-Bulgarian views from the years of harshest confrontation, a campaign that aims to persecute and eradicate everything Bulgarian. It will not be objective to consider this campaign out of the context of Macedonia's attitudes toward its other neighbors: the old, painful problem of the Albanian minority in the republic; the cyclical dying down and flaring up of tension along the Macedonian-Albanian border; the fluctuations in strictness in applying the sanctions against Yugoslavia; and the provocations against Greece, which continues to dispute the name of the young republic.

For all this, they offer only one justification, which is expressed openly and semi-openly, in whispers and in public, namely that the Americans are with us, and they will not permit anyone to attack us. This is true, of course, for the simple reason that no one has any intention to attack the economically impoverished and backward Republic of Macedonia, although it is ridiculous to claim that 300 or 1,000 U.S. Rangers will be able to guarantee the state's security in the broken, mountainous terrain of the Balkans. It is simply that the Balkans are not the Persian Gulf. The Republic of Macedonia is not Kuwait, and the Balkan neighbors of the tiny state are not Arabs. It is quite another matter if the rumor turns out to be true that American transport aircraft have allegedly delivered equipment for 30,000 men and that the new U.S. military base in the Balkans will be located in Krivolak. Then many things would change in the Balkans, including the importance of the U.S. bases in Greece, Russia's influence, and the future development of the situation in the region. [passage omitted]

Havel Supports Yeltsin on Russian Television

AU2709143393 Prague CTK in English 1914 GMT 23 Sep 93

[Text] Moscow Sep 23 (CTK)—Czech President Vaclav Havel, in a short interview on Russian Television tonight, expressed support for Russian President Boris Yeltsin.

We support unconditionally all moves aimed at creating a democratic political system in Russia and a new democratic constitution, Havel told Russian Television's Prague-based correspondent.

He also said he supported the Russian road to a market economy and to cooperation with other countries in strengthening European security.

We fully understand President Boris Yeltsin and his supporters because their efforts are identical to ours, Havel was quoted as saying.

The situation in Russia is now very tense and dramatic, but I believe that reason and democracy will prevail. I believe that a democratic constitution will be adopted by the Russian Federation and that truly free elections will be held, Havel said, according to Russian Television.

1994 Draft State Budget Expenditures Outlined

AU2309114393 Prague LIDOVE NOVINY in Czech 22 Sep 93 p 3

[Report by "(kk)": "The Draft 1994 State Budget"]

[Text] Prague—The Czech Government will discuss the draft 1994 state budget. After the final stance is adopted, not later than the end of September, the draft will be presented in parliament. The Finance Ministry has drafted the budget as a balanced budget, in which income and expenditures are balanced and amount to 379.8 billion korunas [Kc]. The sum is higher by 7.5 percent than the expected level of this year's real budget figures.

On the income side of the budget, there is anticipated income, above all, from the value-added tax [VAT] (Kc94.5 billion), tax from legal entities (Kc72.9 billion), consumer tax (Kc42.1 billion), and custom fees (Kc14.9 billion). Social insurance should bring Kc120.1 billion to the budget.

The budgetary expenditure (see table) will increase mainly in spending on the unemployed (to 177.4 percent), housing policy (to 156.3 percent), and on the item of "other" administration of the state (to 143.5 percent). The absolutely largest spending, apart from social spending, will be directed toward the education system (Kc42.9 billion—more than 11 percent of all spending). The Army will receive Kc22.9 billion, and security [services] Kc17.7 billion.

The Czech Republic's 1994 Draft Budget Spending

Item	Expected 1993 Figure (millions of korunas)	1994 Budget (millions of korunas)	Index (percent)
I. Current expenditures	314,843.0	337,329.0	107.1
A. Noninvestment subsidies to enterprises	9,787.0	27,395.0	92.0
—price-related	15,906.0	13,111.0	82.4
B. Transfers to households	121,400.0	139,642.0	115.0
—unemployment	3,100.0	5,500.0	177.4
—state provided compensation	12,000.0	10,400.0	86.7
—other allocations	106,300.0	123,742.0	116.4
C. Public consumption of the population	63,600.0	67,882.0	106.7
—education	37,300.0	42,896.0	115.0
—health care	18,900.0	16,256.0	86.0
—culture	1,900.0	2,460.0	129.5
—other	5,500.0	6,270.0	114.0
D. Public consumption of the state	63,356.0	82,510.0	130.2
—defense	18,900.0	22,928.0	121.3[1]
—security	13,600.0	17,673.0	129.9[2]
—justice, prosecutor's offices	2,200.0	2,530.0	115.0
—other administration	12,100.0	17,360.0	143.5
—other	16,556.0	22,019.0	133.0
E. Debt servicing	15,600.0	0.0	0.0
—interest	11,800.0	0.0	0.0
—principal	3,800.0	0.0	0.0
F. Transfers abroad	900.0	900.0	100.0
G. Housing policy	3,200.0	5,000.0	156.3

The Czech Republic's 1994 Draft Budget Spending (Continued)

Item	Expected 1993 Figure (millions of korunas)	1994 Budget (millions of korunas)	Index (percent)
H. Subsidies to district offices and communities	17,000.0	14,000.0	82.4
II. Capital spending	38,457.0	42,471.0	110.4
I. Investment subsidies to companies	5,500.0	6,500.0	118.2
J. Transfers to the public sectors	25,700.0	28,900.0	112.5
K. Government credits	7,257.0	7,071.0	97.4
Expenditures total	353,300.0	379,800.0	107.5
Difference between income and expenditures	0.0	0.0	0.0

Footnotes:

1. 1994 to 1993 index on a comparable basis is 110.8 percent.

2. 1994 to 1993 index on a comparable basis is 117.8 percent.

Tripartite Council Supports Budget

AU2709131593 Prague CTK in English 1620 GMT 23 Sep 93

[Text] Prague Sep 23 (CTK)—The Council for Economic and Social Agreement (RHSD) today supported the government's draft state budget for 1994, Finance Minister and RHSD Chairman Ivan Kocarnik told journalists.

The RHSD, also referred to as the tripartite, is comprised of representatives of the government, employers and unions. Its task is to maintain social peace in the period of transition from the centrally planned economy to the market system.

The outlines of the draft budget were approved at the government session last week. After Wednesday's [22 September] session, Premier Vaclav Klaus said that the government had not yet put the final touches on the budget, and that ministers would meet again on Friday [24 September] to discuss the several matters still open. The meeting should result in the definite budget for 1994, Klaus added.

Representatives of employers today said that the draft budget offered greater space for business as it alleviates the tax burden, for instance, reducing legal persons' income tax from 45 to 42 percent.

Last week, Klaus said the draft budget was balanced, which was a prerequisite for healthy economic development.

In the draft, the government estimates that the real gross domestic product (GDP) in 1994 will be two to three percent. It also anticipates a rate of inflation between eight and ten percent, which means that the government expects a growth in the nominal GDP by approximately 10-13 percent next year.

Unions, represented by the strongest organisation, the Czech-Moravian Chamber of Trade Unions (CMKOS), said today that the draft state budget was a compromise necessitated mainly by the impact of the stagnating (declining) economic performance on state finances, objectively increasing demands to finance the public sector and necessary state spendings.

KSCM Expresses Opposition

AU2709133293 Prague CTK in English 1517 GMT 23 Sep 93

[Text] Prague Sep 23 (CTK)—The Communist Party of Bohemia and Moravia (KSCM) will not back the draft state budget for 1994, as it is opposed to its general scheme, KSCM Economic Adviser Zdenek Haba said at a press conference today.

He said he considered the draft budget to express a sort of fundamental liberalism, the application of which should not be admitted in present conditions in the Czech Republic.

We believe that the state budget should not register wishful thinking about economic development, but has to be an active tool to transform the economy. If it includes no impulsions for growth and structuralisation, it cannot play any active role, and we can hardly agree to such a scheme, Haba stressed.

He said that the KSCM opposed the state's bureaucratic interference with the economy. But if the state does not interfere with the economy, using unique tools of its own, then the economy will develop in an uncontrolled way, Haba said.

The draft budget does not use its own tools, but draws on extraneous ones, and it even violates the law in a certain sense, Haba stated. He said that the budget should include an increase in income taxes resulting from the curbing of tax evasions. Tax evasions in the Czech Republic annually amount to 10 to 15 billion crowns (335 to 500 million USD).

Klaus Forecasts Good Year for Economy

AU2709130393 Prague TELEGRAF in Czech 22 Sep 93 pp 1, 3

["Prime Minister Vaclav Klaus Replies to Questions from TELEGRAF Readers: The Czech Republic Advances Against the Current"]

[Text] [TELEGRAF] Mr. Prime Minister, at the news conference following the government approval of the 1994 draft budget, you said that the budget assumes an economic recovery and is so conceived. Nevertheless, the recession or stagnation still are in effect in Europe and the world. Can you explain this remarkable phenomenon and explain the correlations? Our reader, Mrs. Monika Novotna from Brno, for instance, used TELEGRAF to ask questions in the same vein.

[Klaus] I read a principal forecast recently for development in 1993-94, which expects that Europe will move in the range between zero and minus one. If our forecast comes true that the 1993 results of the Czech Republic will reach plus 0.9 expressed in GDP, it is a very good result regardless of what the opposition says. After all, the world does not expect a growth exceeding 2 or 3 percent for the next year, and set in this world framework, our situation does not seem so hopeless—even if our position is different because due to the preceding decline, the improvement is easier. Let us consider, however, that industrial output in several European countries will drop between 10 and 15 percent this year because the flexibility of response of their economy to the decline in demand is very rigorous. Similarly, our GDP grows faster than industrial production.

Two years ago, at a world congress in Italy, at which I also read a paper, to our dismay and contrary to what I said, one of the most famous economists of our time, Professor R. Busch, who is renowned for his sharp tongue and very stern criticism of most people, assessed the chances of Central and Eastern Europe very pessimistically. He said that the optimism of the hypotheses and forecasts he hears is not justified, and that he rather expects Central and Eastern Europe to follow the Latin American pattern of moderately left or moderately right, nevertheless nondemocratic, systems, economic chaos, inflation, even hyperinflation, growing debt, chaos in state finance, etc. He was proving that there is no chance of avoiding this, that it unfortunately is a necessary intermediate step that will continue for two to three decades.

I was supposed to speak at this congress again this year but had to cancel out at the last moment because of the European Democratic Union session in Budapest.

Professor Busch attended again, and the organizers sent me his current analytical contribution, which was just as resolute and merciless regarding the prospects for the world economy. In the chapter entitled "Central and Eastern Europe" he continues in the assessment he began two years ago with a single exception: The Czech Republic has resisted this general trend, which he singles out in the sense that it will not succumb to the fate he forecast for the other countries in the Central and Eastern Europe. It is just one leading scholar, but it might be good if some of our opposition politicians heard it.

[TELEGRAF] Can you explain why the Czech Republic resists the trend?

[Klaus] In this respect, Professor Busch points out the traditions, that is the democratic traditions prior to the advance of communism and the tradition of a quality economy. He also points out the extraordinary social consensus for the reform changes that occur here, and praises the concept of our government and the government policy. I chuckled at his quotation of Vaclav Klaus that "there is no third way," while he himself closes with a joke that there is no second way either.

That is not an assessment that contradicts the opinion of the rest of the world. Professor Busch praises the changes that took place in Europe. He believes the loosening of the European monetary system is a great leap forwards, a victory of reason, and a case of discarding the straitjacket of the European monetary system. He explains to all European politicians that it is not an anti-European but rather a pro-European step, and that because of it, Europe will move up from the economic bottom, and the year 1994 will be substantially better than 1993.

KSCM, SLB Agree on 'Nonaggression Pact'

AU2709085593 Prague CESKY DENIK in Czech 23 Sep 93 p 2

[Report by "(sak)": "Ortman's Party and the Communist Party of Bohemia and Moravia Will Not Insult Each Other"]

[Text] Prague—The Left Bloc Party [SLB] Preparatory Committee and the Communist Party of Bohemia and Moravia [KSCM] have reached an agreement on a "nonaggression pact," Deputy Josef Hajek, a member of the SLB Preparatory Committee, told reporters yesterday. He also said that a "membership drive" has been initiated within the party. According to Hajek, at the moment, a third of the membership consists of former non-party members, a third of "post-Prostejov KSCM dissenters," and a third of people with dual membership. In reply to a question from reporters on how many members are in these three groups, Hajek said, "we cannot quantify" this figure.

Poll Reveals Confidence in Parliament Declining

AU2709132093 Prague CTK in English 1422 GMT 23 Sep 93

[Text] Prague Sep 23 (CTK)—Czech citizens' trust in their government and president has remained all but constant during the summer, while their faith in the parliament continues to slightly decline, a poll of 763 people conducted by the Institute for Public Opinion Research (IVVM) revealed.

Poll results between March and September:

Percent of Citzens Who Trust the President, Government, and Parliament

	March	May	June	July	September
President	72	70	66	69	69
Government	58	60	53	52	57
Parliament	34	30	28	24	26

Meciar Receives WEU Secretary General

AU2609204693 Bratislava NARODNA OBRODA in Slovak 23 Sep 93 p 2

[TA SR report: "Protecting the Interests of Nonmembers"]

[Text] Bratislava—Willem van Eekelen, secretary general of the Western European Union [WEU], arrived for a two-day working visit to Bratislava yesterday.

The important guest was received by Prime Minister Vladimir Meciar at the Office of the Government. According to the prime minister, in a discussion they concentrated on the WEU Forum of Consultants, in which Slovakia is a full member. He stressed that they discussed problems related to Slovakia's security and preparations for the NATO summit, which should take place in January next year. They also spoke about the possibilities of increasing cooperation in NATO and the WEU. Mr. Eekelen stated that it was necessary to defend the interests of those countries that are not members of the two organizations, so that they might become members in the near future.

Michal Kovac, president of the Slovak Republic, gave a gala dinner in honor of Willem van Eekelen. Today at breakfast, Mr. Eekelen will meet with J. Moravcik, foreign minister of the Slovak Republic.

Kovac: Independence Paid Off Politically

LD2509121893 Prague CTK in English 1146 GMT 25 Sep 93

[From the "Survey of Slovak press"]

[Text] Bratislava, Sept 25 (CTK)—Economically, our independence has not paid off to this day, says Slovak President Michal Kovac in an interview for the Swiss "DIE WELTWOCHE", citing the high costs associated with creating a new state and its institutions.

Kovac goes on to say that economic difficulties would have come even in the case of a Czech-Slovak union, and would have led to tension.

Politically, the founding of Slovakia has paid off greatly, not just for us but for all of Europe as well, he insists.

Slovakia is not happy to see that the Czech Republic is developing its arms industry, the president continues. We are no doubt getting the shorter end of the stick, he notes, explaining that we Slovaks paid for the naivety of Czechoslovak President Vaclav Havel, who decided the Federation would stop exporting arms.

No companies in Bratislava know foreign arms markets enough to successfully deal with them, Kovac adds.

Speaking about the possibility of forming a coalition government, Kovac points to the Slovak National Party (SNS) as the Movement for a Democratic Slovakia's only possible partner.

He believes, though, that a minority government is going to be around for some time. A critical situation will arise in December at the earliest, during the approval process for next year's budget. The economy could stabilise around the end of 1994, he adds.

Commenting on the government's ethnic minority policy, Kovac calls the removal of bilingual road signs foolish.

Moravcik Voices Reservations About Balladur Plan

AU2709144093 Bratislava REPUBLIKA in Slovak 22 Sep 93 p 1

[Report by Robert Hajsel, TA SR correspondent in Brussels: "Emphasis on Individual Rights; Slovakia Welcomes the Balladur Plan, But...."]

[Text] Brussels—Slovakia welcomes the so-called Balladur Plan for a new security system in Europe, Jozef Moravcik, minister of foreign affairs of the Slovak Republic, said in an interview with the TA SR correspondent in Brussels yesterday. However, he called unfortunate the formulation about the possibility of certain border modifications that the Balladur Plan originally contained. In the opinion of the Slovak side, raising the issue of border changes again would have unforeseeable consequences in Central Europe. "All countries participating in the Brussels meeting [of foreign ministers from EC countries and six Central and East European countries] agreed that it was not suitable and possible to give support to this in Central Europe," Jozef Moravcik said. In his opinion, the Balladur Plan concerns, above all, exercising and guaranteeing the rights of ethnic minorities. "In our opinion, too much emphasis is being placed in it on collective rights. We believe that the multilateral level is decisive in this matter, while bilateral talks play only a supplementary role. Emphasis should be placed on individual rights, which guarantee the possibility for every member of an ethnic minority to develop his own identity," Minister Moravcik said, adding that emphasizing collective rights was not exactly the most suitable solution, especially in areas with ethnically mixed population.

State Companies Banned From Buying Foreign Products

LD2709223993 Prague CTK in English 1812 GMT 27 Sep 93

[Text] Bratislava, Sept 27 (CTK)—The Slovak Government has introduced a decree banning state-funded organisations from buying foreign products, in order to protect the domestic market and save hard currency reserves, head of the Slovak Government office Ivan Lexa told Slovak Radio today.

He said that the decree, which Meciar had announced on Sunday, was approved several months ago, and concerned the central state administration, state-funded organisations and state companies.

During his regular Sunday ten-minute television slot, Meciar said his cabinet had passed a decree banning the above-mentioned institutions from buying foreign products if Slovak ones of similar quality and price were available.

As an example of such Slovak products, Lexa gave the Slovak electronics company Tesla Stropkov, which he said produced top-quality goods of a European standard. It is our duty to ensure that this producer is protected, he said.

He said the government's inspection office would carry out inspections of the relevant bodies to ensure the decree was being observed. Organisations would have to show that in all decisions concerning the purchase of technology and materials they had approached domestic producers and compared the quality and price of their products.

SIS Director Discusses Secret Services' Work

AU2409144593 Bratislava SMENA (SMENA NA NEDELU Supplement) in Slovak 24 Sep 93 p 3

[Interview with Colonel Vladimir Mitro, director of the Slovak Information Service, by Katarina Fornerova; place and date not given: "The Sixth Dan Will Not Be the Key Consideration; These Geographic Latitudes Appear To Be Favorably Disposed Toward Collaborators of Secret Services"]

[Text] "Every sovereign state needs certain intelligence services. This applies, of course, also to us. Our problem lies in that we are looking for their new identity, function, position, and method of supervision." I have borrowed these words from a RUDE PRAVO interview with Czech President Vaclav Havel. I used them as a starting point for my interview with Colonel Vladimir Mitro, LLD., director of the Slovak Information Service [SIS].

[Fornerova] The Czech president's words also faithfully characterize our situation in this sphere. Or am I wrong?

[Mitro] They do, even though I think that, in the legislative sphere, Slovakia has progressed further. The Czech Republic has four independent intelligence services, two of which are military and two civilian. In its law No. 46 of 15 February 1993, the Slovak Republic established the SIS as one entity. In other words, it more or less unified the activity of intelligence services, irrespective of whether they operate abroad or within the state or whether they have been assigned specific military tasks. Of course, this must be expressed in other organizational documents as well. We are now working on those.

[Fornerova] Could you be more specific?

[Mitro] We have drawn up the SIS Statutes, which should define its orientation and system of management and organization. Under the law, the Statutes are approved by the government. Several working versions of the document have been drafted and its contents are now the subject of deliberations. If the deliberations are successfully wound up and the Statutes are approved by the government, we will have the basic internal document on the structure of the SIS. On the basis of this document, we are going to work out the system of organization of the SIS and its individual sections. Concurrently, we are also working on the SIS's strategic orientation, in which we will determine the main internal and external risks and, in this way, will actually lay down the strategy for the SIS's future operations. This strategy should be discussed and approved by the Slovak Defense Council.

[Fornerova] It transpires from what you have just said that, for the time being, one can speak about the SIS's work only in more or less general terms....

[Mitro] Yes, but the SIS's activity has a certain executive aspect, too. The so-called operative-exploratory activity from covert sources is under way. Let me explain: The SIS (I emphasize that we are an information service, that is, we collect information, analyze it, and distribute it to the appropriate addressees) operates with both open and covert sources of information. The open sources of information are the conventional ones—mass media, the public, information systems, systems of academic type, for instance, and the like. Both types of sources are being processed, stored in data bases, and subsequently synthesized by means of the methods of assimilation of facts, analysis, and prognosis into the final form for authorized consumers. The covert method of acquiring information is more interesting for the public; for us, however, it is the quality of information that matters most.

This method operates as well—naturally, at a level commensurate with the state of the SIS—in the internal sector, that is, in counterespionage, as well as in the sector of foreign intelligence. These two independent services will constitute single units [monobloky] and will be arranged into sections, divisions, or administrations—the name is not all that important. Foreign intelligence, which will be in charge of acquisition of information from abroad, and let me emphasize that this concerns information of a defensive nature, will constitute one section. At present we are dealing with the system of arranging relations and the status of military information services.

[Fornerova] In other words, you do not have much trust in "gentlemen's" agreements?

[Mitro] The fact is that we have come into contact with several foreign intelligence services. After my appointment, it was as though there would be no end to them.... And "gentlemen's" agreements? Intelligence services are

working on several specific projects, in which there is common interest. These include, for example, dual-purpose products (such as nuclear materials and the like), terrorist activities, or drugs. We are able to agree on all this. We do not have an external enemy who would be determined in advance, nor do we have a rigid foreign-military orientation [zahranicno-vojenska orientacia]. We can therefore explore across the board and seek out the most effective partners for each case, in which we take an interest. That is our strategy at present. As time goes by, it will apparently be necessary to assume a more specific profile in accordance with the foreign, security, and defense policies of the state.

[Fornerova] Intelligence services have always been shrouded in secrecy; after all, the word "secret" even appears in their name. Your "federal" predecessors were of the opinion that the less one writes about them, the better. But the citizen has the right to know on the basis of which legislation these services operate, what means they use, whether they cannot be misused, and so forth.

[Mitro] We have achieved an acceptable balance, in my opinion. The law on the SIS clearly states what its tasks are, what means it can use, and in which way it may use them. There is the plane of the citizen's access to information and the protection of his rights. I do not think that the SIS director should appear in the mass media and report on the SIS's work everyday, because its character would actually get lost in the process. On the other hand, the very nature of the means the SIS uses is, for understandable reasons, conspiratorial and secret. This is the second plane, which must remain concealed from the public if an intelligence service is not to be rendered meaningless. Some staffers, especially operatives working in the field and gathering information from covert sources, would probably propose that the conspiratorial nature be enhanced, that there should be more secrecy, and that the range of their powers be expanded. But control bodies (because there exists parliamentary control) have the right to enter strictly defined points, which are defined by law. The democratic system is thus sufficient.

[Fornerova] Debates about whether the intelligence service can make do with its own employees are pointless. No intelligence service can do without collaborators. On which basis do you select staff members and collaborators? Has interest in joining the SIS been influenced by the laying bare of our network [of agents] abroad or by the consequences of the screening law?

[Mitro] When the public learned about the SIS being constituted, we received hundreds of applications from all kinds of people, ranging from former parish priests to licensed welders and people having a sixth dan in karate. People's ideas about intelligence services are fairly naive. We are not a body for repression or intervention; we prefer intelligence and work with information to the physical extortion of evidence and information. Those who collaborate with us do so on a voluntary basis. We do not select collaborators and staffers just from the aforementioned applications but we also access other data bases. The Government Office, for example, had a decent data base, from which we have selected a fair number of people. After a preliminary interview—provided that the applicant is not eliminated automatically because of inadequate standard of education or because other basic prerequisites are missing—psychoanalytical tests are carried out and demanding personality profiles [profesiogramy] are compiled. A certain screening also takes place—in the general sense (a clean record) but also according to the law. After fulfilling all the formalities and taking an oath, the recruit can join the SIS.

[Fornerova] There is a saying that "he can ill be a master who never was scholar"....

[Mitro] Unlike states with large intelligence services, we do not have any specialized schools. We have chosen a system whereby we train instructors, who then pass on their knowledge to others. Foreign intelligence services are also being helpful. They are willing to train our "recruiters" and future instructors. We are also contemplating sending our instructors abroad but that depends on their being accepted by the other side.

[Fornerova] Do you place greater demands on those working abroad?

[Mitro] Yes, the prerequisites (and demands) for work abroad are different. Language skills, a general political awareness, and psychological resistance are particularly important because these people work in a different environment and are exposed to bigger risks.

[Fornerova] Let me return to interest in service in the SIS. Judging from what you have said, you are not going to have problems with finding collaborators....

[Mitro] The situation is not bad, these geographic latitudes are apparently well suited for collaborators of intelligence services. We have to distinguish between categories of information according to quality. Citizens are often turning to us and providing information that does not fall into our sphere of responsibility. A large amount of the information we receive is discarded by us immediately. Working with a citizen who provides information is very difficult, if you do not want to slip to the level of settlement of personal accounts. The quality of the information that we receive tends to be rather weaker [than the quantity]. We would need information from interesting, significant sources about certain syndromes that exist and pose a threat to the republic, its integrity, its constitutional system, and the like. We need not know about problematic relations between neighbors....

[Fornerova] The era of James Bond is over. Nevertheless, the people working in this institution must operate with means that are not very common. Has the situation been complicated by the former Federal Ministry of Interior having laid bare the entire technical division, that is, the means that the intelligence service had used until then?

[Mitro] As far as the operative-technical means are concerned, the situation is somewhat different. There is a strong trend toward commercialization. Technical devices are being manufactured that, after a certain modification, lend themselves for use by intelligence services. In spite of this, it is essential that every service should avail itself of a department dealing with these matters because these devices have to be adapted. The situation in which we are is not very good. We have obtained some technical means through the division of the Federal Information and Security Service and the Foreign Information Department but their number is insufficient and their quality poor.

[Fornerova] The now defunct StB [communist-era secret service] did not focus just on the struggle against the "internal" enemy but also on combating terrorism, monitoring economic crime, and so forth. In other words, the former StB also included some real professionals. Do you have such people in your ranks?

[Mitro] Recruitment is subject to the screening law. In this way we rule out the possibility of people who were involved in the struggle against the internal enemy joining our ranks. This is a matter of principle. On the other hand, I would not rule out that people were able to enter our ranks who were working in other [StB] sections and who have not been sentenced. We have opted for a compromise. We do, after rigid testing, accept people who worked, for example, in the sphere of foreign relations, on economic crime, or in the technical administration. The selection is, however, strictly individual.

[Fornerova] Are you not afraid that the SIS, too, might be labeled a criminal organization by someone one day?

[Mitro] I am not exaggerating when I say that we are up to high democratic standards. I do not think that such an idea would ever occur to anyone. When I compare, the British have a good service, but they do not have a law about it. Of course, there is a different strict system in force there. The Israelis also have such a system. Their service is subject to a law passed after democratic elections by a democratically elected parliament. I personally assess this law very highly.

[Fornerova] You have mentioned foreign intelligence services. Is there one among them that you would consider a model?

[Mitro] When drafting the SIS Statutes, we were comparing dozens of secret services. There is a generally valid rule—each country has a different organization of secret services, a different internal structure, and different systems of information flow and management. Some services operate under the ministry of interior, some are under the jurisdiction of the ministry of justice, some are independent. When we consulted on these matters with foreign partners, they all advised us that the best thing was to adapt oneself to one's own conditions.

[Fornerova] Do you have any knowledge about the movement of foreign [intelligence] services in Slovakia?

[Mitro] When Poland or Hungary have foreign [intelligence] services, you can be sure that they operate outside the country. We also have them and they, too, work abroad—this is generally true. The aim of the "gentlemen's" agreements that you mentioned is to come to an understanding not to work against one another. But the characteristic feature of every service is that it operates and acquires information for its own state. That cannot be avoided.

Financial Aid Agreement Signed With Switzerland

LD2709142793 Prague CTK in English 1338 GMT 27 Sep 93

[Text] Bratislava, Sept 27 (CTK)—An agreement between Slovakia and Switzerland on financial assistance was signed by Slovak Foreign Minister Jozef Moravcik and Swiss Ambassador to Slovakia Sylvia Pauli today.

Under the agreement, Switzerland will provide to Slovakia an irretrievable sum of 30 million Swiss francs to be spent on economic projects bound to supplies of Swiss goods and services. According to Pauli, the health sector, infrastructure and environmental projects will be given priority.

The projects will be submitted by the Slovak Government.

The assistance makes part of a Swiss programme to aid central and eastern European countries. It is provided for two years and may be extended, Pauli added.

Pauli announced that a similar agreement would be signed with the Czech Republic next week.

Foreign Minister on Clinton UN Address

LD2809111393 Budapest Kossuth Radio Network in Hungarian 0800 GMT 28 Sep 93

[Text] According to the Hungarian foreign minister, in his address to the UN General Assembly yesterday, the U.S. President devoted little attention to the Bosnian question because the United States intends to deal with the matter only when the Bosnian talks lead to results.

Geza Jeszenszky considers the address appealing, however, but doubts whether there will be enough ability and opportunity to implement democratic ideas which lay emphasis on the security of the world.

Finance Ministry Gives Economic Forecasts

AU2609215193 Budapest MAGYAR NEMZET in Hungarian 24 Sep 93 pp 1, 9

[Report by Istvan Varga: "Annual Inflation Can Reach 22 to 23 Percent—The Structural Change Spoils the Foreign Trade Balance"]

[Text] Hungarian exports to the EC countries decreased by 34 to 35 percent in 1993 and the figures are similarly bad in relation to the countries of the European Free Trade Association [EFTA]. The value of Hungarian goods sold in the Central and Eastern European countries was only 19 percent less than in 1992, therefore, the significance of the former CEMA [Council for Mutual Economic Assistance] countries in Hungarian foreign relations increased again after a long time.

The above data can be read in the Finance Ministry's recently published report which, in addition to analyzing economic processes, also attempts to give a short-term economic forecast.

According to the Finance Ministry, there are two reasons for the decrease of exports. On one hand, mainly due to the recession in the developed countries, it is difficult to find markets for Hungarian goods. It is not surprising that exports under commission agreement have drastically decreased and the sale of agricultural products has also slumped. (Naturally, the EC countries' increasing protectionism also plays an important role in this, it is enough to remember the halting of the meat exports.)

The decrease of exports also had domestic reasons: It seems that the dynamically growing other sectors of the Hungarian economy are unable to make up for the lost exports of large enterprises. As the imports remained on the same level, the Finance Ministry's summary is the following: For the time being, the structural change results in a deteriorating foreign trade balance.

The foreign trade deficit also affects the current payment balance. The capital inflow has not fully been able to counterbalance the deficit of the trade in goods, therefore, the deficit of the payment balance reached $1.5 billion by the end of July 1993.

On the basis of this, in their forecast for 1993, the Finance Ministry's experts are anticipating an $8.5 to 9 billion export performance which is much lower than the $10.7 billion last year. If this is the case then the payment balance will show a $1.5 to 2 billion deficit at the end of the year. However, this only increases the net stock of debts by a small amount if the already mentioned capital imports do not decrease at the same time. (In 1992, capital imports amounted to $1.5 billion, and to $580 million in the first six months of 1993. The question is whether the remaining $900 million will be realized in the second half of the year.)

Inflation is also worth mentioning. Consumer prices increased by 0.6 percent in July but an increase can be seen as a result of the value-added tax increase at the beginning of August. In addition to this, the regular forint devaluations and the rise in food prices also increase inflation. Based on all this, according to the Finance Ministry, the annual inflation is expected to reach 22 to 23 percent.

SZDSZ Official Views Party Prospects, Tasks

AU2709172593 Budapest NEPSZABADSAG in Hungarian 25 Sep 93 p 27

[Interview with Gabor Kuncze, head of the parliamentary group of the Alliance of Free Democrats, by Erno Balogh and Lajos Pogonyi; place and date not given: "People Are Tired of Nervous Politics"]

[Excerpts] [Passage omitted] [NEPSZABADSAG] You said that relations within the Alliance of Free Democrats [SZDSZ] had been settled. Does this mean you got rid of Tolgyessy's followers and you isolated the followers of the former party chairman?

[Kuncze] I refrain from using Tolgyessy's name in a negative sense; nor do I think that we had to get rid of his followers, because Peter Tolgyessy had considerable support within the party.

[NEPSZABADSAG] Did you use the past tense deliberately?

[Kuncze] Yes. At the party presidential election held in November 1992, Ivan Peto won with more than two-thirds of the votes over Tolgyessy, and Ivan Peto has been enjoying the support of the SZDSZ members ever since. Tolgyessy continues, however, to carry out his activity in the party's parliamentary group. The people who previously supported Tolgyessy acknowledged the fact that Peto is now the leader of the party. No one has been pushed into the background in the SZDSZ, and we do not send "messages" to each other via the press. Of course, we continue to have debates, but these debates are carried out at the party forums. [passage omitted]

[NEPSZABADSAG] According to the opinion polls, only 30 percent of the population know you. Does this disturb you? However, you emerged in the front line of politics not long ago.

[Kuncze] I have been in the "front line of politics" since the first free elections. It does not disturb me that only 30 percent of the population know me, all the more so because this percentage has been different for quite some time, and it is constantly increasing. It would disturb me much more if the SZDSZ were a party with a popular head and then a long silence. Two things make me calm and confident. First, the fact that I know who will be on our ticket. Second, I also know who are the experts who are working out our program. I do not fear voter disinterest or apathy. When the people can again decide to whom to trust the fate of the country and their own fate for several years they will really consider what the various parties have to offer. Gaining popularity is mainly a question of communication technique. For example, prior to the beginning of the election campaign, the percentage of people who knew Clinton was not high either. [passage omitted]

[NEPSZABADSAG] According to an opinion poll, one-third of the SZDSZ members have quite anti-liberal economic views, 20 percent are more national-liberal oriented, and another 20 percent believe in social-reform solutions in the economy. Only slightly more than 10 percent of the SZDSZ members firmly support the liberal way when it comes to economic alternatives. Does this disturb you?

[Kuncze] No, because this is not how we see it. There is a considerable consensus in the party regarding the basic issues. The SZDSZ is a liberal party that pays serious attention to social issues. We have well-tested traditions in this. When "thanks" to the Hungarian Socialist Workers Party [MSZMP] the word "poverty" was a taboo, some people founded the Fund in Support of the Poor, and they managed the fund for a decade. If someone asks which party these people are in now, the answer is quite simple: the SZDSZ. I can even add that "perhaps not accidentally."

[NEPSZABADSAG] What can the SZDSZ do with the accumulated economic problems?

[Kuncze] This government failed to make use of the "moment of grace" of the change in the regime and, therefore, politics and politicians enjoy much less credibility today than in 1990. The next government can no longer afford to only promise a way out of the crisis; after stabilization, it must lay the foundations of prosperity. For this, it must reduce the budget deficit because, in order to cover this budget, today the government uses state bonds to withdraw the free capital from the economic sphere. This is why loans are expensive, inflation continues, and unbearable taxes are levied on wages; however, it is impossible to reduce unemployment without this. There is a way out of this vicious circle. Considerable resources can be released even in a short term if we set up a cheaper government. Similarly, we would witness an influx of capital worth several billions of dollars if we liberated the infrastructural investments. In order to regain the investors' confidence, however, it is important to avoid scandals, like the recent scandal involving mobile telephones. Confidence is very important in the economy, but it is only possible to maintain confidence under predictable conditions free of even the slightest suspicion of corruption. [passage omitted]

[NEPSZABADSAG] You do not have to agree with us but, the way we see it, the SZDSZ can only promise "blood, sweat, and tears" before the elections. This might even bring you empathy because, at least, you display an honest attitude. Is that correct?

[Kuncze] Do not expect me to strongly agree, because I think that what the SZDSZ is proposing is much more than that. Predictable conditions, the elimination of bureaucratic obstacles in the economy, a pro-entrepreneurial atmosphere, an active participation in dealing with social problems, and the elimination of interference in private lives are things that will tangibly affect the people's lives. [passage omitted]

[NEPSZABADSAG] What will happen to the current political elite, the clients of the Hungarian Democratic Forum [MDF]?

[Kuncze] Party sympathy makes no difference to us. Professional knowledge is what counts. We should put an end to the habit of changing the whole apparatus every four years. Whether we like them or not, we must accept the fact that we do not have enough experts for two administrations. No one has to fear for his job in this respect. As far as one can see from outside, however, the MDF placed many of its clients in high positions, people who are not experts in the respective fields. There will certainly be changes of personnel here. [passag omitted]

Kuncze To Head Electoral List

AU2709131793 Budapest MTI in English 1834 GMT 25 Sep 93

[Text] Budapest, 25 September (MTI)—The National Council of the Alliance of Free Democrats (SZDSZ), Hungary's leading opposition party, on Saturday [25 September] unanimously nominated parliamentary group leader Gabor Kuncze to head the party's electoral list.

At a press conference after the council's session, the 43-year-old engineer-economist appealed to the country's political forces to do everything possible to ensure calm in the period until the 1994 elections and enable the new government, most probably of a different set-up, to take office under such circumstances.

Walesa Hints at 'Yeltsin's Option'

LD2709141993 Warsaw PAP in English 1403 GMT 27 Sep 93

[Text] Warsaw, Sept. 27—President Lech Walesa said on Monday he would not permit the Polish reforms to be halted, even if he had to resort to "Yeltsin's option."

Talking to reporters of the WPROST weekly, the president stressed: "I have not come to this post to play president, I am the president."

Pointing out that a balance between the left and the right should be restored in Poland, the president said that he must now take care of the right as the weaker wing in polish politics.

I am going to be effective in this task, Walesa announced.

PSL Says Coalition Possible But Not Certain

WS2809125693 Warsaw RZECZPOSPOLITA in Polish 28 Sep 93 p 2

[Report by E.O. and E. Cz.: "SLD Pressures—PSL and UP Evade"]

[Text] In reply to a letter sent by Wlodzimierz Cimoszewicz of the Democratic Left Alliance [SLD], containing an official invitation to take part in the formation of a government, the Polish Peasant Party [PSL] stated Monday [27 September] that it is ready to "make it possible for a government formed by SLD to be established and [PSL would] support in the parliament all changes that would be favorable to the people, even if it were a minority government." The Union of Labor [UP] will issue its answer on Tuesday, when the party's National Council is scheduled to meet.

It is worth recalling that on 25 September SLD forwarded a letter to UP and PSL, which officially invited them to take part in forming the government. Both parties were supposed to provide an answer by Monday. In the meantime, UP Leader Ryszard Bugaj proposed on Saturday to Waldemar Pawlak (PSL leader) that both parties take the initiative in forming a government by making a PSL-UP pact. Waldemar Pawlak was favorably disposed to this proposal.

In its Monday statement, PSL says that voters, by supporting PSL and SLD (as well as "other parties that do not bear direct responsibility for the mistakes of the past four years") expressed their willingness to have a strong government, capable of introducing changes in the policies that have been pursued so far. However, during programmatic talks it turned out, PSL states, that even though differences between both parties do not exclude the possibility of joint action, some SLD leaders are already deciding certain matters which should be decided jointly, such as the state's future political system, matters dealing with the concordat, or the issue of taxing stock dividends. According to PSL leaders, this confirms the early fears of the party.

The PSL statement is very diplomatic, however, it does seems to express a lack of interest in a government coalition formed by SLD, but not in a coalition with SLD in general. Pawlak does not exclude the possibility of further talks between PSL and SLD experts, which are scheduled to take place on Tuesday.

UP refused to issue an answer to the SLD proposal immediately; it argued that it could not make such a decision without the approval of its National Council, which is to meet on 28 September. Apart from that, on 28 September there will also be the first meeting of UD parliamentarians, who must also make a statement concerning this issue.

"We believe that the initiative should be taken by the strongest; therefore, we helped strengthen the position of PSL. Now the two largest parliamentary groups must reach an agreement. We do not want to get involved in that," Ryszard Bugaj told RZECZPOSPOLITA.

The UP leader expressed the hope that the National Council would agree to strengthen the position of PSL and therefore, to let it fulfill the leading role in forming the government. He also stressed that he "does not exclude anyone from such a configuration."

SLD was surprised at the PSL position. According to SLD Spokesman Zbigniew Siemiatkowski, this statement differs from the stand that the party took during previous talks. On Monday night, Aleksander Kwasniewski and Waldemar Pawlak were supposed to have a meeting to clarify the situation.

Pawlak Holds News Conference on Talks With SLD

LD2709133393 Warsaw PAP in English 1247 GMT 27 Sep 93

[Text] Warsaw, Sept. 27—Leader of the Polish Peasant Party (PSL) Waldemar Pawlak told a press conference called urgently in Warsaw on Monday [27 September] that "the PSL is ready to make it possible for the Democratic Left Alliance (SLD) to form a government and to support in parliament any actions by this government that are favourable to the Polish society, even if it is a minority government."

Asked whether this means that the PSL will not enter a government formed by the SLD Pawlak replied that "this means that we are showing support but we do not have to enter such a government." He added that he sees no obstacles to continuation of talks between the PSL and SLD economic experts.

In his Monday declaration the PSL leader stated that the results of programmatic talks held by PSL and SLD representatives so far showed "that the existing differences between the PSL and the SLD do not exclude the possibility of joint actions." He added, however, that the

analysis of some statements by SLD leaders concerning matters such as the new constitution, taxes and PSL's participation in the coalition, shows that some SLD leaders are unilaterally deciding on issues that need to be agreed upon.

Pawlak stressed that the fact that the talks with the Union of Labour (UP) are seen by the SLD as a "formation of a PSL-UP pact" indicates that his party's doubts are fully justified.

Asked whether it is true that the question of a candidate for premiership is the "bone of contention" in talks between the PSL and the SLD Pawlak replied that he does not know where the SLD has obtained such information.

SLD Tries To Form Government With PSL, UP

WS2709144693 Warsaw RZECZPOSPOLITA in Polish 27 Sep 93 p 2

[Article by E.K.: "SLD Is Waiting for an Answer"]

[Excerpts] *The Democratic Left Alliance [SLD] will wait until Monday afternoon for an answer to a letter written by Wlodzimierz Cimoszewicz to the Polish Peasant Party [PSL] and the Union of Labor [UP], regarding their joining the government coalition proposed by the left wing. As Aleksander Kwasniewski said at a meeting of the Chief Council of the Social Democracy of the Polish Republic [SdRP] on Sunday, 26 September, if a coalition with PSL is not created, SLD will not be interested in forming a minority government and it will remain in the opposition. [passage omitted]*

So far, SLD's reply to President Walesa's request for three candidates for prime minister has not been agreed upon. The party could present three candidates, each of whom would have a chance to form a government; it could present one candidate who would also have a chance in case the president declines the offer, in that case—according to the Little Constitution—that candidate would be elected by the Sejm; finally, SLD could present no candidate at all. Aleksander Kwasniewski addressed SdRP's Chief Council and told them not to make very definite statements regarding government coalitions and who the prime minister might be, so as not to send any kind of definitive message which could possibly determine the positions of potential political partners.

"Our risk factor is greater, while our chances of making mistakes are smaller than other parties'," Kwasniewski said.

Speaking about some earlier plans suggesting that the Democratic Union join the coalition, Kwasniewski admitted that "most probably that will be the only topic" during Tuesday's meeting of both parties' leaders, which will officially be devoted to what the future Sejm will look like.

While it does not want to be definite about staff matters for the time being, SLD confirms that the party's role in the government would have to be very significant, with the Sejm's speaker coming from the biggest party in parliament. In the Senate, on the other hand, the members of which were elected according to majority-type electoral law, there is the possibility of a more personalized and individualistic type of search for a speaker. To be the first to implement a strict economic policy, SLD will suggest that the Sejm's Presidium be reduced.

According to the SdRP leader, the reasons leading to such a definite turn to the left should be sought in four areas— the country's economic situation; a disintegration of the "Solidarity" camp; a blurring of the dividing line between church and state, which made the relationship between the two unclear and confusing; and social acceptance of the political style implemented by SLD. That style is nonaggressive, it is not vociferous, and it is pragmatical. According to Kwasniewski, the election results—which are a "mature step by the Polish democracy"—do not signify a rejection of the reforms, but a will to make them humanly meaningful. Therefore, demanding that the Sejm adopt as soon as possible the principle of valorization of old-age and other kinds of pensions when it comes to the rate of salary increases, adopting a law on "uniform pensions," demanding a report on the state of privatization in Poland, as well as defining those branches which will not be privatized because of their strategic significance (for instance the arms and mining industries, and transportation)—all these will mean that preelection promises are being kept.

While appealing to the left not forget any of the lessons it learned both before and after 1989, Kwasniewski emphasized that SLD will be guided by a philosophy of development, not that of a political pendulum.

"Poland constitutes a whole, it consists of both those who like the left wing and those who like the right wing; those who voted in the elections, and those who did not; everything that happened after 1989, and everything that happened before then."

BBWR Cooperation With SLD, PSL 'Impossible'

LD2709213493 Warsaw PAP in English 1539 GMT 27 Sep 93

[Text] Warsaw, Sep 27—Jacek Szymanderski, who was the spokesman for the Non-Party Reform Bloc (BBWR) Election Committee and the bloc's Sejm candidate in the general elections on Monday [27 September] said it is impossible for the BBWR to cooperate with the Democratic Left Alliance (SLD) and the Polish Peasant Party (PSL) in the new Sejm.

"The people who voted for the BBWR, did it because they did not want to support the left. The cooperation with the SLD and PSL would be the act of disloyalty to our voters. We have interpreted it in that way, though we may be wrong," he said.

He claimed the BBWR programme is liberal and conservative and it is "likely that the political evolution of the BBWR will go in this direction. Although it is difficult to speak on behalf of the future parliamentary caucus of BBWR it seems that there is not a party in the Sejm whose programme could be termed as liberal and conservative. All (parties), including the Confederation for an Independent Poland are leftist and that's why it is difficult to speak of cooperation," he said.

Business Community Not Worried by Leftist Victory

LD2809000393 Warsaw PAP in English 1915 GMT 27 Sep 93

[Text] Warsaw, Sept. 27—Businessmen associated in the Business Centre Club (BCC), a major lobby group, believe that the political landscape which emerged after the elections in Poland does not bode ill for free market reforms.

According to BCC president Marek Goliszewski, there were no particular reasons for fears or concern since a thorough examination of economic programmes of both the victorious leftist parties, SLD [Left Democratic Union] and PSL [Polish Peasant Party], allowed to hope for the continuation of market reforms.

BCC members who met the press here Monday said the electoral postulates put forward by the SLD (Democratic Left Alliance) appealed to them more than the PSL (Polish Peasant Party) programme.

The main dangers implied by both economic programmes were excessive outlays on social security, preventing bankruptcies at all cost, slowing down of the privatisation process, curbs on foreign capital inflow, and rekindling of inflation, a BCC official told reporters.

A BCC delegation is scheduled to meet PSL chairman Waldemar Pawlak still this week.

Russian Ambassador on Situation in Moscow

LD2709234793 Warsaw PAP in English 2039 GMT 27 Sep 93

[Text] Warsaw, Sept. 27—Ambassador of the Russian Federation to Poland Yuriy Kashlev said in Warsaw Monday [27 September] that even "if the left forms a government following the victorious elections, no strategic change in the cabinet's policy will take place."

"It is possible that the cabinet will pay more attention to the east," said Kashlev during a meeting held at the Russian centre of culture and information.

According to the Russian ambassador, the results of the elections point to the discontent of the society with the to-date social policy. "It is a misunderstanding to call the elections' winners—the young, educated, energetic people, speaking foreign languages—post-communists," said Kashlev.

Kashlev expressed the opinion that the relations of the Russian authorities with the new Sejm and Senate will not be worse than with the previous parliamentary chambers and that mutual contacts might take a better course than before.

As the most pressing issue to be regulated within the two countries' relations Kashlev mentioned the economic questions. "In Poland and Russia we live so turbulently that the economy does not keep pace with political events," the ambassador told the participants in the meeting.

He stressed that there are considerable chances to animate economic relations between Poland and Russia. The signing of a contract on the construction of a gas pipeline from Russia to Western Europe via Poland, the August visit to Poland by Russian President Boris Yeltsin and the pullout of the Russian troops from Polish territory he called the most important developments in Polish-Russian relations.

Kashlev recalled that the Polish and Russian presidents' declaration referred to Poland's access to NATO in a "later perspective." According to him, if it happens, the character of NATO will change and it may become one of the structures of the Conference on Security and Cooperation in Europe (CSCE). "No one waits for Poland and Russia in NATO and the EC," he said.

When asked to comment on the recent events in Moscow, the Russian ambassador replied that he has no detailed information on the matter but according to the information he does have, 100 deputies have already left the parliament building. He added that, in his opinion, parliament will not be taken by storm and no military steps will be undertaken but only the political ones.

Ban on Price Increases Expires 30 September

LD2709180193 Warsaw PAP in English 1504 GMT 27 Sep 93

[Text] Warsaw, Sept. 27—The decree banning retail price increases issued in connection with the introduction of the value added tax [VAT] last July 5 expires in three days time and will not be extended, the Deputy Minister of Finance Witold Modzelewski said Monday [27 September].

He added no price hikes should be expected as a result of the expiry since it was the demand constraint which prevented a general price increase following the VAT introduction, and not any government regulations.

New Culture Minister States Major Objectives

AU2709200693 Bucharest ROMPRES in English 1658 GMT 27 Sep 93

[Text] Bucharest, ROMPRES, 27/9/93—At the first press conference given since his appointment as minister of culture, writer Petre Salcudeanu stated some of his major objectives: The ban of any political sympathies from the Ministry of Culture, the promotion of all Romanian cultural values and cooperation with all generations.

Showing that the absence of funds stops the publication of some of the ministry's press, the restoration or conservation of valuable monuments and sites, and delays the International George Enescu Festival by one year, the new minister listed a number of projects he intends to pursue, such as a wider opening to Moldova "as only culture can restore what has been destroyed until now," the establishment of Cultura Nationala press and publishing house, the erection in the present Press Square (to be renamed Nicolae Iorga Square) of a copy of Trajan's column in Rome (the bas-reliefs of which describe the victorious wars of the Roman empire against ancient Dacia).

The new minister stressed the urgent need for adequate legislation apt to support future actions.

Mr. Salcudeanu said he believed in decentralization which he sees possible by the appointment of inspectors whose prestige should be widely acknowledged as people of remarkable intellectual standard and political impartiality.

PNTCD Reviews Activities One Year After Elections

AU2709200793 Bucharest ROMPRES in English 1608 GMT 27 Sep 93

[Text] Bucharest, ROMPRES, 27/9/1993—The spokesman for the National Peasant Christian Democratic Party [PNTCD] reviewed at a Monday, September 27, press conference the parliamentary activity as it appears one year after the polls and criticized the ruling party for having failed to keep its promises.

The blocking of the reform, failure in the negotiations with the IMF, the non-observance of the separation of powers are some of the elements that have made Radu Vasile conclude that "the government shows signs of wear." The spokesman for the PNTCD showed dissatisfaction at the dollar-leu rate having become an inflationist factor," with negative impact on the living standard.

Ion Ratiu, deputy chairman of the PNTCD and deputy speaker of the Chamber of Deputies, made an account of his participation as head of the Romanian delegation in the NATO seminar on the Black Sea zone. "Our position has had in view Romania's security and we told the seminar that we were willing to enter NATO as soon as possible," said Ratiu. But there "weren't immediate prospects" for Romania to be admitted to that military body, added the PNTCD official.

PSM Leader Verdet Explains Visit to Iraq

AU2709122993 Bucharest ROMPRES in English 0928 GMT 27 Sep 93

[Text] Bucharest, ROMPRES 27/9/1993—"We had no mission, no government mandate," said Ilie Verdet, president of the Socialist Party of Labour [PSM] in daily CRONICA ROMANA with reference to his recent visit to Iraq. "The reasons of our visit were different," the leader of Romanian socialists said, adding that it was mainly about getting in touch "with life and realities in that country." He also stated that the PSM was "seriously interested, as a political party" in knowing on the spot "what the Gulf War meant, the military intervention and especially the embargo put by the UN on Iraq."

Referring to Iraq's debts to Romania, accumulated in the past decade, Ilie Verdet said that although he was not commissioned by the government, the talks during the visit touched that point as well. "Iraq is ready to pay to Romania the 1.7 billion dollar outstanding debt, either in cash or in oil, and to continue a broad exchange of goods," the PSM leader said, cautioning however that that was impossible while "this unjust embargo" lasted. "So, the sanctions do not apply to Iraqis only, they extend also to the countries that used to keep economic relations with them," Ilie Verdet recalled.

Foreign Media Bulletin: Balkan Crisis 28 September

WA2809151093

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Congress of Muslims accepts peace plan with conditions ... Izetbegovic, 5th Corps of Bosnian Army denounce Abdic autonomy initiative ... Serbian Radical Party leader Seselj introduces motion of no confidence in Serbian Government.

POLITICAL

MUSLIM ACCEPTANCE OF PEACE PLAN CONDITIONAL (Sarajevo Radio): Congress of Muslim organizations, meeting on eve of Bosnian Assembly session, vote to accept new peace proposal under condition that "territories captured by force are returned." (AU2809111893)

ABDIC'S DECLARATION DENOUNCED (Sarajevo Radio): Bosnian President Izetbegovic calls western Bosnian leader Abdic's declaration of autonomy a "stab in the back," urges Muslims in region to "close ranks" behind Bosnian Army. Calling declaration "illegal," Command of Army's 5th Corps in western Bosnia says it will take "all measures" to ensure that "Constitution is observed." (AU2809094493, AU2809110093)

NO-CONFIDENCE MOTION CALLED FOR IN SERBIA (TANJUG): Serbian Radical Party leader Seselj introduces parliamentary motion of no confidence in Serbian Government, charging it with failing to keep its promises "concerning social and economic matters." (LD2709220593)

Convention Votes for Peace Plan With Conditions

AU2809111893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 28 Sep 93

[Text] As you have heard, the session of the Bosniak convention ended today in Sarajevo, after which the deputies took a secret vote on whether to accept or reject the Geneva package. There were no [words indistinct]. Out of the 349 voters, 53 deputies voted yes to the question of whether they accepted the Geneva package, 78 were against acceptance, while 218 voted for the package, but under the condition that territories captured by force were returned. A press conference, which we will broadcast live, is currently in progress.

Demands Return of Territories

AU2809100393 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 28 Sep 93

[Report by Senada Cumurovic from Sarajevo]

[Text] Good day to the listeners of Radio Bosnia-Herzegovina. As has already been announced, the Bosniak Convention is to continue today. The participants are expected to cast a secret vote during the closed part of the session on the acceptance or rejection of the Geneva peace plan. It emerged that a third possibility ought to be introduced during the work of the Convention, and through the debates of the participants. So, apart from the available Yes and No on the ballot, the third possibility should be: Yes, but under the condition that the territories captured by force are returned.

The public will be informed about the results of the vote at a news conference planned for 1200.

Izetbegovic Addresses Convention

AU2709203893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Sep 93

[Address by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, to participants in the Bosnian Convention in Sarajevo on 27 September—live]

[Text] The 25 points— the main elements of the offered constitutional agreement on Bosnia-Herzegovina—do not include everything that the document comprises—it is a detailed document of some 70 pages—but I think that they cover the most important parts and that they are enough for the participants in this convention to decide in favor of or against such a document.

Allow me now to present my personal dilemmas when it comes to accepting or rejecting this peace offer. This is how I would categorize reasons for and against accepting.

The reasons for accepting:

First, the continuation of the war is beginning to endanger the very biological substance of the Muslim people. Many have been killed, maimed, and expelled. Accepting it could put an end to the suffering of the people, as its rejection would mean almost certain continuation of the war, even though its acceptance does not necessarily mean peace.

Second, because of the logistical blockade of provisions, the Bosnia-Herzegovina Army is condemned to defensive warfare, and there is serious danger of a further loss of territory, and an even weaker negotiating position in future.

Third, Europe and the world will not intervene militarily, and the lifting of the arms embargo, although not ruled out, is still not very likely.

Fourth, the attacks by the HVO [Croatian Defense Council] on the Army have opened a second front against us. All supply lines have been disrupted and the war turned the aggression by Serbia into a civil war in the eyes of the world, a clash of three sides in Bosnia-Herzegovina.

Fifth, the number of refugees in increasing, not decreasing. Their general status is very bad. Our people are melting away gradually. Time is not on our side in this respect.

Sixth, we are receiving increasingly serious warnings that the humanitarian aid will be halted if the war efforts continue to endanger the UNHCR staff. As you know, two UNPROFOR [United Nations Protection Forces] members were wounded yesterday. However, one thing is certain; our people would not be able to survive without a regular distribution of food and medicine.

Seventh, winter is coming. Our people are mostly in the cities, and they do not have reserves of food and fuel. The chetniks and the HVO are holding the villages and the roads, and they get some kind of help from Serbia and Croatia. They will have a hard and unpleasant winter, but ours will be unendurable.

Eighth, the international guarantees are very likely, even though at the moment they are still not quite certain. In any case, they should be the condition for our possible signature.

Ninth, the situation in Russia is becoming more difficult. If developments continue in this direction, the attention of the world could turn completely away from Bosnia. I do not think any explanations are needed as to what that would mean in this situation.

These are the reasons that would compel me to accept the plan. However, the reasons that compel me to reject it are as follows:

The ethnic division of Bosnia-Herzegovina, even though carried out through war and aggression—it is not created with a signature, but is already a reality on the ground—is legalized in this document. I can then see a definite partition of Bosnia-Herzegovina. The instruments built into the agreement to prevent the tendency of partitioning are useful but insufficient.

The other reason, which I would put as first: Large regions that used to be populated by a majority Muslim population and ethnically cleansed in the war, are to remain in the attacker's possession. The opposing sides do not envisage the return of territories but just their exchange. In my view, this is the most significant fault of the solution on offer that cannot be disregarded easily.

Third, a part of the territories is also in a strategic encirclement. The roads, railways, and rivers, particularly in Herzegovina and central Bosnia, are crisscrossed. The agricultural land amounts to only 22, to 22 percent of the total agricultural land of Bosnia-Herzegovina.

The fourth reason that compels me to reject is the following fact: The force of the attacker, the military and economic force, particularly the latter, have been seriously damaged. The morale of their army, because of the crimes that have been committed and our unexpectedly fierce resistance, is mainly low. However, the motivation of our soldiers is strong, and our military industry can produce amounts of weapons and ammunition that are not insignificant, and that do alleviate the effects of the logistics blockade.

Fifth, the so-called realities are against us, but many peoples through persistent struggle have triumphed over their realities. Justice is on our side.

If you compare these reasons for and against you will see that they are balanced out. We have the choice between just war and unjust peace, and that is the personal drama of every one of us. As far as I am concerned, I have still not made that decision in my heart of hearts. I will do so when I hear the views of you people from the ground. I ask you to present your views sensibly and without pompous words. This is the crucial decision for our people. [loud applause]

Assembly Chairman Urges 'Improvements' to Plan

AU2809074693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0700 GMT 28 Sep 93

[Interview with Miro Lazovic, chairman of the Bosnia-Herzegovina Assembly, by Mirsad Kulender in Sarajevo on 28 September—recorded]

[Text] [Kulender] Mr. Lazovic, the session of the Bosnia-Herzegovina Assembly is to be held today. The only issue on the agenda is the peace plan for Bosnia-Herzegovina.

[Lazovic] We are faced with a new situation. We have to discuss all the new elements of the agreement, which are the result of talks between Mr. Izetbegovic [Bosnian president], (?myself), and Mr. Krajisnik [Bosnian Serb assembly chairman]. We have to receive guarantees—these are new moments—there have to be improvements in the final version of the agreement. All, both positive and negative, implications of the possible acceptance or rejection of the agreement (?have to be considered). I hope that the Bosnia-Herzegovina Assembly deputies will take this into consideration, and that they will make the final decision after taking all these elements into account.

[Kulender] When it comes to the quorum, we hope that you will have a quorum, and that the deputies have been able to come to Sarajevo for today's session.

[Lazovic] Yes, I believe some 80 deputies have arrived. I think that is a sufficient number for the Bosnia-Herzegovina Assembly—under the circumstances—to decide, to make a decision.

Stoltenberg: Fighting Will Escalate if Plan Rejected

LD2809054693 Belgrade TANJUG in English 1931 GMT 27 Sep 93

["Pool" item]

[Text] Belgrade, September 27 (TANJUG)—Cochairman of the conference on the former Yugoslavia Thorvald Stoltenberg on Monday said the conflict in the former Yugoslav republic of Bosnia-Herzegovina might escalate if Bosnian Moslems rejected the Geneva peace package for ending the civil war in Bosnia-Herzegovina.

"Should the agreement once again be turned down by the Bosnians (Moslems), I'm afraid we can expect another escalation of fighting in the area and a much tougher climate for going back to the negotiation table," Stoltenberg said in Oslo ahead of his departure for work for a meeting with U.S. Secretary-General Butrus Butrus-Ghali.

"On Tuesday or Wednesday this week, the Bosnian (Moslem) general assembly will answer yes or no to the peace plan and their decision will mean a turning point in the negotiations for peace," A.P. quoted Stoltenberg as telling the Norwegian national news agency NTB.

Stoltenberg said he had received signals that the agreement to divide Bosnia-Herzegovina into Serbian, Croatian and Moslem sections would be accepted by all parties, but he added "I will not believe it until I actually see it."

Bosnian Moslems led by Alija Izetbegovic have been blocking the peace agreement by constantly setting new conditions and demanding territorial concessions. Despite Moslem ultimatums, the Serb side has met most of the demands and proved it wants peace. Bosnian Croats have practically fulfilled the Moslem side's demand to have access to the Adriatic Sea, which was another of Izetbegovic's conditions for signing the peace package.

Izetbegovic Asks Cazin 'To Close Ranks' With Army

AU2809094493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 28 Sep 93

[Statement by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, to people of the Bosnian Krajina; Sarajevo, 28 September—recorded]

[Text] Citizens of the Bosnian Krajina! In the most critical moment in our history, Fikret Abdic, member of the Bosnia-Herzegovina Presidency, has proclaimed the so-called autonomy of the Cazin Krajina. Abdic did this despite your rejection of the initiative on the formation of an autonomous region of western Bosnia, and your clear commitment to Bosnia-Herzegovina, which you expressed at the sessions of the communal assemblies and in public debates.

This unconstitutional act is a stab in the back of our already wounded homeland at the time when we are preoccupied with crucial decisions on our common future and under pressure from enemies from within and outside.

I call on you in the name of the victims who have fallen for Bosnia-Herzegovina to stand up decisively for the defense of Bosnia-Herzegovina together with the Command and the units of the 5th Corps, and prevent any attempt to break up the country. This is an attack on the unity and the (?dominance) of the Muslim Bosniak people now when we need unity more than ever.

I appeal to you to preserve your presence of mind and sense, to avoid conflict, to close ranks with our Army, in the name of our common future.

Fifth Corps: Proclamation 'Illegal'

AU2809110093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 28 Sep 93

[Bosnia-Herzegovina Army 5th Corps Information Service report from Bihac]

[Text] In connection with the illegal proclamation of the so-called autonomous province of western Bosnia in the Bihac region—which was done at yesterday's meeting organized in Velika Kladusa—the Command of the Bosnia-Herzegovina Army 5th Corps has issued an urgent public statement from its own meeting, attended by commanders of brigades and [word indistinct] units. The statement says:

Even though the command of the brigades, [word indistinct] units, and the 5th Corps Command have issued several statements through the media so far in connection with the antistate activities related to carrying out the initiative for the proclamation of the so-called autonomous province of western Bosnia, the initiators of these activities have continued to undermine the Constitution of the Republic of Bosnia-Herzegovina by initiating the act of proclaiming the so-called province of western Bosnia.

We express our strongest opposition to this, as this move is an unconstitutional and illegal act, aimed against the people of this region, their success in the struggle so far and the victims that have fallen for the freedom of the state of Bosnia-Herzegovina. We call on the citizens, fighters, and officers to reject the decisions by this illegal body, as they are not binding on them. That is not your will expressed in a legal way, but the desire of individuals to pursue personal ambitions and aims, which annul the country, people, the legal bodies of authority, and the Army—the greatest achievement of the people.

We call on all state bodies, all bodies of authority, the Ministry of Internal Affairs, the judiciary, the management, the media, political forces, and other bodies and organizations, to continue to represent the interests of the people of the Republic of Bosnia-Herzegovina and the state of Bosnia-Herzegovina, as they are a part of it and the only ones authorized to do so.

The 5th Corps Command will undertake all measures and activities within its authority to see that the Constitution is observed in its zone of responsibility.

Citizens of the freedom-loving Krajina, you who have not capitulated to the tanks, cannons, and aircraft of the aggressor's army; you who rose when the former Yugoslav People's Army [words indistinct] in Bosnia-Herzegovina; you who have given your voice for the united, unified, and indivisible Bosnia-Herzegovina; you who have shown your worth throughout history, do not now allow the division of Bosnia-Herzegovina before its constitutional organization is solved at state level. A diplomatic battle is being fought for that at this moment, so find the strength to resist blackmail and threats.

Our positions facing the enemy are firm and stable, and we guarantee that we will remain committed to a united and internationally recognized state of Bosnia-Herzegovina.

This is the Information Service of the Bosnia-Herzegovina Army 5th Corps.

Court Rejects Proclamation

AU2709210993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Sep 93

[Text] Following the activities to set up an autonomous province of western Bosnia within the Republic of Bosnia-Herzegovina, the Constitutional Court today concluded that the Constitution does not envisage the possibility for setting up social-political communities in the republics that would place a question mark over not only the integrity of the Republic of Bosnia-Herzegovina, but also the integrity of its constitutional-legal system.

The activities and public statements by Presidency member Fikret Abdic outside the procedure envisaged for changing the Constitution, and aimed at forming an autonomous province of western Bosnia, completely deviate from the constitutionally established mode of conduct and from his duties.

The Constitutional Court proposes that the Presidency, acting on behalf of the Assembly of Bosnia-Herzegovina, discuss and take its stand on this activity and behavior of its member, as well as assess the justification for establishing his accountability, and inform the public about it.

Karadzic Wants 'More Active' Russian Presence

AU2709143493 Sofia ANTENI in Bulgarian 22 Sep 93 p 16

[Interview with Radovan Karadzic, leader of the Bosnian Serbs, by Dmitriy Yakushin, MOSKOVSKIYE NOVOSTI reporter; place and date not given; "I Do Not Lose Self-Control, I Have Great Strength"]

[Excerpts] [Passage omitted] [Yakushin] Have you been a member of the Communist Party?

[Karadzic] I was admitted to the party when I was 17. At that time there were no other parties. In 1968 I was expelled because of my participation in the student movement. I never was a real Communist, but some of the social-democrat ideas, such as the idea of social justice, were close to my heart. Perhaps those ideas are even now close to my heart, despite the fact that my party belongs to the ... democratic center, and is not a leftist party. Thanks to the Eastern Orthodox faith we always paid great attention to the ideas of social justice. [passage omitted]

[Yakushin] Do you know Izetbegovic personally?

[Karadzic] Izetbegovic was a well-known Muslim dissident. He was imprisoned for articles about Muslim fundamentalism.

I also was a dissident for 30 years. I was a member of a circle of Serbian intellectuals, but we did not intend to deal with politics. However, when the Croats and the Muslims created their parties with pronounced nationalist programs, aimed at splitting from the union, and the Serbs became a minority, we understood that we needed our own party, because otherwise the Serbs would have remained without representatives. The Serbs have the right to remain in Yugoslavia, precisely as the Muslims and Croats have the right to leave it.

Thus we created the Serbian Democratic Party, and afterward we created a coalition government with the Muslims and Croats. They decided to leave Yugoslavia, but could not, because such a decision could have been adopted only with the consent of the three peoples. They betrayed our interests, thus we left parliament and created our own.

In principle, Izetbegovic's program did not presuppose a confederation or breaking away from Yugoslavia, but rather a prudent federation. The Muslim population also voted for this. However, Izetbegovic was pushed to declare independence. By whom? By the EC, and especially Germany, who aimed to achieve the disintegration of Yugoslavia and utilized Izetbegovic for this purpose. Thus the war began.

[Yakushin] In your view, was the war inevitable?

[Karadzic] Evidently yes, because the international community wanted it. [passage omitted]

[Yakushin] How do you assess Russia's role?

[Karadzic] Russian diplomacy plays an important and constructive role. Now people are interested in its opinion, despite the fact that until a few months ago they did not want to hear it. I hope that Russia will be more actively present in the Balkans, because NATO is against the Serbs. It opposes them not because of the Serbs themselves, but because of the influence of Eastern Orthodox Russia. Certain circles in the United States rely on two influential states in the region—Germany and Turkey. Through Germany they want to dominate in Europe and undermine European unity, while with Turkey's help they want to influence Russia. [passage omitted]

[Yakushin] How do you assess the role of the United States?

[Karadzic] I cannot understand it. I know the United States and value the Americans as open people. However, why do they always need an enemy? Now Russia does not fit the role, but then Iran, Sudan, and the Serbs emerged. I absolutely cannot understand why are they against the Serbs. Did we not always look up to America in the 45 years we tried to construct a democracy?

I think that America is still afraid of Russia, because Russia, for the time being, is a sleeping giant. Democratic Russia will be stronger than the previous Russia, precisely as the new Serbia will be stronger than the one that was a part of Yugoslavia. However, the Americans are deceiving themselves. Democratic Russia will not be an enemy of America, while Croatia and Slovenia will always be German satellites. [passage omitted]

[Yakushin] Could the war erupt in another place?

[Karadzic] If the international public wants a war in Kosovo, there will be a war in Kosovo. They have tolerated the war in Bosnia for 17 months now. They could stop it within a week, precisely as they could transfer it to Kosovo, or refrain from transferring it to Kosovo. The international public is aware of the consequences of the war in Yugoslavia. It is responsible for everything.

Muslims Suffer Heavy Defeat in Gornji Vakuf

LD2809101193 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 28 Sep 93

[Text] There was no direct fighting in Mostar overnight: the Muslim army engaged in sporadic provocations, opening fire from infantry weapons in the area of Bijelo Polje and Rastani and along the southern approaches to the town.

Ferocious infantry and artillery exchanges took place in the area of Galicnica and the village of Hrasnica in the vicinity of Gornji Vakuf. The Muslim army suffered considerable losses while one Croatian Defense Council [HVO] soldier was killed and three soldiers and four civilians wounded, the HVO main headquarters has announced.

Yet another Muslim infantry attack on the village of Bobas near Vitez was repelled last night. An artillery attack was launched on the village of Otigosce near Kiseljak while a few grenades were fired on Novi Travnik. There have been no reports of casualties. Muslims also engaged in provocations in other parts of central Bosnia.

Murdered Croat Civilians Found Near Mostar

LD2709231493 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 27 Sep 93

[Report by Zdenko Vranjes in Mostar for Croatian radio]

[Excerpts] The bodies of five murdered civilians were found today near the village of Oplicici [south of Mostar], northwest of Stolac. It is presumed that the bodies belong to persons who disappeared 15 days ago when a Muslim sabotage group which infiltrated the Dubrava plateau between Capljina and Stolac and killed six [Croat] soldiers in an ambush. On that occasion, eight people disappeared from the villages of Stanojevici and Potkos. [passage omitted]

During the afternoon, the Muslim army launched frequent mortar attacks on the suburb of Rastani and Hum hill near Mostar. One person was killed. [passage omitted]

According to an official report of the HVO's [Croatian Defense Council's] central Bosnia operational zone, four persons were killed and eleven wounded in last night's and this morning's attacks on villages between Fojnica and Kiseljak and between Novi Travnik and Gornje Puticevo east of Travnik. [passage omitted]

Serbs Demand Closure of Muslim Camp in Konjic

LD2809001093 Belgrade TANJUG in English 2101 GMT 27 Sep 93

[Text] Belgrade, Sept 27 (TANJUG)—The Red Cross Committee of Konjic on Monday [27 September] appealed to the International Committee of the Red Cross (ICRC) to take immediate steps to save 110 Serbs detained in a Moslem camp in this southeastern Bosnian town.

The Serbs have been detained in what used to be Konjic's sports hall since May 1992. But, said the appeal, they were left without food in the past ten days and some of them could starve to death.

The town of Konjic is held by the Moslems, while Serbs control parts of the municipality.

Bosnia-Herzegovina has for 18 months been ravaged by the war between local Serbs, Croats and Moslems.

Article Discusses U.S. Reversal on Air Strikes

AU2809104393 Belgrade POLITIKA in Serbo-Croatian 19 Sep 93 p 6

[Article by Aleksandra Plavevski: "The Fear of Missiles Calmed the Yankees Down"]

[Text] The possibility of a military intervention by NATO forces in the former Bosnia-Herzegovina has still not been definitely dismissed. Military strategists assess—with the reminder that the Americans have never "alerted" certain military forces without deploying them—that the well-planned operation of air strikes against Serb objectives was prevented at the last moment by the breakout of the Croat-Muslim conflict.

According to the most recent information, the planned raid has not been given up yet, and officers and soldiers (also Americans) entrusted with the guidance of the air force have been stationed throughout Bosnia, while 30 to 40 NATO fighter-planes and bombers not only patrol the Bosnian skies every day and monitor the situation on the ground, but also rehearse attacks on certain objectives.

Unapplicable Somali Formula

Lately on several occasions the aforementioned simulated attacks have been spotted over Vitez and Travnik, as well as in the region south from Mostar, in the Gornji Vakuf area, and some other places.

Although the Somali formula was assessed at the last moment as inapplicable to the Bosnian case, because its effects will be insufficient, the sudden Croat-Muslim war made the Pentagon's strategists consider the possibility of selective bombing on Croatian objectives—for the sake of balance.

As for the Serbian side, we ought to mention the officially unconfirmed, yet resounding news about General Ratko Mladic's army having at its disposal weapons that may seriously endanger NATO fighter planes, that is, SA-14 and SA-7 "Greil" [as published] missiles, as well as SAM missile batteries. This intelligence data stems from Kiseljak, a place near Sarajevo, where under the auspices of UNPROFOR the headquarters of a NATO army group has been stationed in a mansion called

Dalmacija, while acting within that group is a very important advance office of the US Intelligence Service (G-5).

Arif Needs Help

The Muslim armed forces, that—according to some estimates—count around 120,000 soldiers today, have been pulling their units out of Sarajevo these days, and disposing them toward Mostar. However, it is well known that in the Neretva river basin a great number of units of the Croatian Defense Council [HVO] has been stationed, as well as many units of the regular Croatian Army, which was also confirmed by Alija Izetbegovic. Whether the Muslim offensive will concentrate on Mostar, or—as some people forecast, although it seems unrealistic—whether they will decide on a breakthrough toward the Adriatic coast, remains to be seen. Still, the fact is that for Mostar alone, most of which has been held by Croats, Muslims need to deploy a very strong force of several regiments.

Arif Pasalic, commander in chief of the Muslim forces in Mostar, which hold the left bank of the river Neretva and southern part of the city, is persistently demanding reinforcement, because—as he claims—his troops will hardly be able to resist considerably stronger Croat forces for more than the next several days. Besides, one should keep in mind that in Croatia it was decided long ago that Mostar must be the capital of Herceg-Bosna, while according to the partition proposed by peace maps Mostar is supposed to be divided between Croats and Muslims, and governed by the EC (as distinct from Sarajevo, where a UN protectorate has been planned). So, neither side is giving up the plan about taking the entire city, while each day it has been more and more devastated by both sides. According to some estimates, around 50,000 Muslim civilians are still in Mostar, so it is believed they will act as cover for the offensive that Izetbegovic's army is preparing.

This plan may also mollify the attitude of Washington's administration, which obviously favors Muslims. The more information the Muslims give of their being actual victims of Croatian territorial aspirations, the greater portions they get of humanitarian aid, as well as "humanitarian" ammunition and weapons.

Izetbegovic Disappointed With Clinton

That actually means: The scope of the parachute operation has been increased, while the aid delivered through the operation is intended for Muslims only. Aid also uninterruptedly arrives at Sarajevo's Butmir airport, as well as by land corridors. According to American sources, from the beginning of those missions until 11 August as many as 46,000 flights for Bosnia were completed, including also the landings on Butmir airport, so that 7,000 tonnes of aid were transported by air, while an additional 5,000 tonnes of aid to Muslims were transported by land convoys.

The public only partly knows about the contents of those containers, hence the supposition that in the recent period the most contemporary armaments have been delivered in great amounts to Muslims in that way, and particularly through Sarajevo's airport.

Besides, in their statements neither Izetbegovic nor Ejup Ganic hide that they have at their disposal enough ammunition and weapons for one more year of war.

However, their plans about gaining access to the sea by military means seem to be quite impossible. It is far more probable they will accomplish that by political means. Serbian military experts assess that Izetbegovic's army is hardly strong enough to reach Mostar alone, particularly now, when severe battles against Croats are being fought in Gornji Vakuf, which is why Muslims need additional troops.

The militant Izetbegovic seems to hold further the opinion that the whole of former Bosnia belongs to him, although the Muslims hold as little as 10 percent of the territory. He is still demanding that Serbian positions be bombed, while the Americans, given the approval of the U.S. Congress, are announcing the official deployment of their troops for the purpose of the peacekeeping mission in Bosnia, but under the auspices of NATO, rather than of the United Nations.

President Clinton has conceded that the United States has no support among the Western allies for any military intervention in the former Bosnia-Herzegovina, so all that he has offered to Izetbegovic is his diplomatic support, as well as the pressurizing sanctions against Serbs, and probably against Croats.

In the meantime, NATO is not only measuring up the Croats, but is also gradually, following the step-by-step strategy, taking over the role of commander in chief in the Bosnian drama.

[Box, page 6]

Ganic, main ideologist of the Party of Democratic Action, recently stated:

"We shall never surrender! We have to endure one more year, and then we shall be able to say we won. In the meantime Serbia and Croatia will be economically crushed."

[Box, page 6]

Early in June this year the Central Intelligence Agency submitted to the White House its assessment of the situation in the former Bosnia-Herzegovina. In this report, or rather assessment, it is emphasized that a settlement of the crisis in the former Yugoslav republic is to be achieved only through ethnic partition.

However, Washington appears to be closer to the attitude that former Bosnia-Herzegovina ought to remain integral, which is what Izetbegovic also maintains.

Tudjman Meets Wtih UN Security Council Chief

LD2809105293 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 28 Sep 93

[Text] In talks with Adolfo Raul Taylhardat, UN Security Council chairman and Venezuelan ambassador, held at the United Nations in New York yesterday, Croatian President Franjo Tudjman expressed the wish in his talks with the UN Security Council chairman that the UN Security Council should adopt Croatia's proposals regarding further mandate of the UN peacekeeping force in our state.

Tudjman also stressed that Croatia resolutely demanded the implementation of all relevant resolutions of the Security Council, particularly Resolution 769 regarding the control of Croatian state borders. Tudjman then said that UNPROFOR [UN Protection Forces] troops ought to be replaced by NATO forces and that it is necessary to separate the UNPROFOR mandate on the territory of former Yugoslavia.

He said that if the proposals of the Republic of Croatia do not materialize for incomprehensible reasons, then Croatia will thank UNPROFOR and will invest further efforts towards peaceful reintegration of UN protected areas. But if there is no other way of settling the problem Croatia will resort to all the means which every sovereign country would use in such circumstances, Tudjman said in talks with the chairman of the UN Security Council.

Tudjman also had talks in New York yesterday with British Foreign Secretary Douglas Hurd. Following their talks the Croatian president said: I would like to stress that Croatia can no longer accept the extension of the UNPROFOR mandate if the UN Security Council fails to accept Croatia's demands. I have an impression that both the UN Security Council chairman and Secretary Douglas Hurd understand the justifiability of Croatia's demands and they will probably try to find a solution which would largely meet Croatia's demands. In any case, Tudjman said, I reiterated that for political, moral, and economic reasons, the UNPROFOR mandate in Croatia cannot be extended if Croatia's demands are not met.

Ministry Denies Army Fired on UNPROFOR

LD2709183993 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 27 Sep 93

[Text] We have just received a statement released by the Croatian Defense Ministry's political department, signed by the department's head, Brigadier Drago Krpina.

We have been taken aback by the letter of protest that UNPROFOR's [UN Protection Forces] Commander General Jean Cot sent to Gen. Janko Bobetko on 26 September. Certain assertions in this protest letter do not reflect the true state of affairs. Namely, Gen. Cot claims that Croatian units had opened fire on members of the UN forces while they were evacuating the wounded from the area of Medak [14 kilometers southeast of Gospic].

This is what really happened—a patrol belonging to the Canadian battalion came across a land mine in the late evening of 25 September. The mine exploded, wounding two UNPROFOR members. When an UNPROFOR armored personnel carrier came to their aid, it drove across an anti-tank mine, which resulted in two more injured soldiers. It should be noted that these mines had been laid by Serb terrorists when they were controlling this area. Our troops noticed a commotion in front of them and fired several warning rounds into the air. Having heard the mine blast, realizing what had happened, they illuminated the area with flare rockets in order to help the wounded. They assisted the UNPROFOR members and sent an ambulance to transport the wounded to Gospic. The observer team in Gospic was duly informed about this incident. All members of the Croatian Defense Council [HVO], who were present at the time, behaved humanely, wishing to help the distressed UNPROFOR troops.

Therefore, Gen. Cot's assertion that Croatian troops had behaved incorrectly does not hold water, even less his claim that they had obstructed the evacuation of the wounded.

We are taking this opportunity to draw Gen. Cot's attention to the fact that, minutes before this incident, the Croatian Army had prevented the infiltration of a terrorist group that tried to sneak in behind Croatian lines despite the UNPROFOR presence. We hope that such attempts will be dealt with appropriately in the future, primarily by UNPROFOR, because this is the responsibility it assumed when signing the agreement on taking over supervision of the above-mentioned area.

The Croatian Army remains interested in cooperation with UNPROFOR in accordance with its mandate, says the statement for the public released by the Croatian Defense Ministry's political department and signed by department head Brigadier Drago Krpina.

Bjegovic Protests Demands on UNPROFOR

LD2709154093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1354 GMT 27 Sep 93

[Text] Belgrade, 27 Sep (TANJUG)—Prime minister of the republic of Serb Krajina Djordje Bjegovic has sent a letter to Adolfo Raul Taylhardat, chairman of the UN Security Council informing him that the people of the republic of Serb Krajina consider as absurd and unacceptable a Croatian demand that the UN Protection Forces [UNPROFOR] mandate be extended only under the condition that UNPROFOR secures the integration of the republic of Serb Krajina into the Republic of Croatia.

The government of the republic of Serb Krajina welcomes UNPROFOR presence without any time limitations, but under the condition that "its duties be implemented in accordance with the Vance plan", says the letter sent in reaction to a letter Croatian President Dr. Franjo Tudjman and Croatian Minister of Foreign Affairs Mate Granic sent to the United Nations.

"UNPROFOR must secure peace between the two ethnic groups, and as 90 percent of its members are deployed on the territory of the republic of Serb Krajina, the government of the Republic of Croatia has no right to demand their withdrawal from the territory of another state. The government of the republic of Serb Krajina accepts the proposal that the main headquarters and other centers of UNPROFOR currently situated in Croatia be relocated to the territory of the republic of Serb Krajina," Djordje Bjegovic's letter to the UN Security Council chairman says in conclusion.

Protestors Erect Wall at UNPROFOR

AU2709202093 Paris AFP in English 1951 GMT 27 Sep 93

[Text] Zagreb, Sept 27 (AFP)—Protestors erected a brick wall in front of the headquarters of the U.N. Protection Force (UNPROFOR) here Monday [27 September] in memory of people missing in the war in former Yugoslavia.

Hundreds of relatives helped build the wall, one metre (three feet) high and some 40 metres (yards) long, saying it was to protest the ineffectiveness of the U.N. force in helping their cause.

Zdenka Farkas, the chief organizer, said 13,000 people had disappeared in Croatia since the Serb-Croat war began in 1991. "This wall is a wall of shame for the whole world, and Croatian police will make sure it stays up," she said.

The name of a missing person was written on each brick of the wall, built in response to a call by organizations which help families of people who have disappeared. The wall remained in place Monday evening.

A Danish U.N. soldier outside the UNPROFOR base said the protestors misunderstood what U.N. forces were doing there.

"Never before have U.N. soldiers been so misunderstood," he said. "Of course we understand these people's distress. But how can we explain to them that our mandate in Croatia does not include looking for missing people?"

The protest action was staged one day after demonstrations in a number of Croatian towns to protest the UNPROFOR presence in the Republic.

Displaced Persons Protest 'Ineffectiveness'

LD2809055793 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 27 Sep 93

[Text] The Association of Displaced Persons of Croatia has sent a list of demands voiced at protest meetings by displaced persons and citizens of Croatia to the president of the Republic of Croatia, the Croatian Government and assembly, and to international institutions. This was disclosed at a news conference in Zagreb today.

The demands were outlined in six points and were read aloud by the deputy prefect for Vukovar and Srijem [podzupan Vukovarsko-Srijemski], Ivan Juros.

First: We support both the views of the Croatian Assembly, the Croatian Government, and the president of the Republic, Dr. Franjo Tudjman, about the ineffectiveness of UN Protection Forces [UNPROFOR] so far and their insistence that either changes be made in the UNPROFOR mandate or that UNPROFOR leaves the territory of Croatia.

Second: That UNPROFOR takes immediate steps to enable delegations representing displaced persons to visit all UN protected area zones and, in particular, the locations which according to either the 1991 or 1981 census had a majority Croatian or non-Serb population.

Third: That UNPROFOR takes immediate steps to enable a delegation of mothers, widows, and other relatives seeking arrested or missing members of their families to visit the areas where arrests were made and, in particular, the area of Vukovar—in other words, the Eastern Sector.

Fourth: That in case the UNPROFOR mandate is extended all new settlers in our homes and property must leave the areas within two months or 60 days and must not be treated as residents in the area or in individual locations. We wish to emphasize that most of our private property was usurped and taken over by newly settled members of the Serb nationality after the deployment of UNPROFOR.

Fifth: That preparations should be carried out simultaneously to enable all displaced persons to return in an organized way and within 60 days to locations which had a majority Croatian or non-Serb population according to either the 1991 or 1981 census;

Sixth: If these demands fail to be met proceedings will be set in motion with relevant international institutions to demand compensation for the property, the lives, and the suffering of the displaced persons.

TANJUG: Croats Continue Attacks on RSK

LD2709131993 Belgrade TANJUG in English 1301 GMT 27 Sep 93

[Text] Knin, Sept 27 (TANJUG)—The command of the army of the republic of Serb Krajina (RSK) announced on Monday [27 September] that the Croatian Army is

continuing attacks along the demarcation line in the northern parts of RSK, which is U.N. Protected Area (UNPA), and that nine civilians had been wounded in the Kordun region on Sunday.

On Sunday night, the Croatian Army opened strong infantry fire upon Serb positions and settlements in Banija.

The Knin command of the Serb forces also said that on Sunday there was no peace in the area of Benkovac, west of Knin, which was hit by over 20 mortar and cannon shells and where the massing of enemy troops was reported.

Croatia has so far carried out three aggressions against RSK—in June last year, and in January and September this year.

In each attack on RSK, Croatia has applied the strategy of the "torched land"—it burned Serb villages and massacred civilians.

The latest attack on three Serb villages in sector south (Divoselo, Citluk and Pocitelj), carried out on September 9, left 66 villagers brutally killed.

Daily Warns of More Croatian Military Actions

AU2809112593 Belgrade POLITIKA in Serbo-Croatian 25 Sep 93 p 10

[Report by D.O.: "50,000 People Mobilized"]

[Text] Zagreb 24 September—The tightening of Croatia's attitude toward the UN Protection Forces [UNPROFOR] and its status, as well as toward Krajina (best demonstrated in the aggressor's action aimed against Lika villages in the region of Gospic, where numerous crimes against civilians have been committed that have been precisely confirmed by UNPROFOR) is also reflected in the military sphere. This suggests the conclusion that Croatia is preparing further actions like the one near Gospic. That is, as we have learned from intelligence sources, the Defense Ministry of the Republic of Croatia has recently prepared approximately 50,000 mobilization call-ups, a considerable portion of which have already been handed out.

Prior to last weekend a high number of military conscripts that were supposed to respond to mobilization call-ups only in 14 days' time were suddenly "raised" in the coastal towns. The rumor among the residents was that such a sudden and hasty move was made with a view to consolidating the front lines in the Ogulin region, where some domestic units had allegedly abandoned parts of the front.

That the Croatian Army is actually preparing for new actions has been confirmed by yesterday's repeated sudden requisitioning of Zagreb residents' houses and holiday cottages situated some 50 km south of the capital. This territory is 10 km away from the river Kupa, that is, the border with Krajina, which means that the units that will strengthen this part of the front will be accommodated in these requisitioned houses. The last time that the Army took the same territories was approximately a year ago.

Tudjman Meets Various Leaders in New York

LD2709145693 Zagreb Radio Croatia Network in English 1303 GMT 27 Sep 93

[Text] The Croatian President Franjo Tudjman is in New York where he will attend the 48th session of the UN General Assembly.

He held talks today with the Macedonian President Kiro Gligorov, the Chairman of the UN Security Council Adolfo Raul Taylhardat, and will later today meet with the UN Secretary General Butrus-Ghali. The Croatian president is to address the UN Security Council tomorrow while informal consultations on the UNPROFOR [UN Protection Forces] mandate in Croatia are to begin in the UN Security Council today.

Federal

Effects of Sanctions 'Confirm Worst Predictions'

LD2709141093 Belgrade TANJUG in English 1305 GMT 27 Sep 93

[Article by Slobodan Kostic]

[Text] Belgrade, September 27 (TANJUG)—The Yugoslav economy has practically spent itself after 16 months of an air-tight international blockade.

Losses in the first six months of the year are three times higher than income, TANJUG learned at the federal office for payment operations on Monday.

It seems that these data confirm the worst predictions of the experts who had warned that the objective of the sanctions was to destroy the country's economic potential.

It is estimated that production has practically stopped in more than 70 percent of the works as a result of the lack of raw materials, production material and fuel.

True, the Yugoslav economy had always shown losses in the previous decades, but after the complete ban on exports and imports, combined with an oil embargo and the freezing of all accounts in foreign banks, all indicators of business results have now reached disastrous proportions.

The U.N. Security Council imposed an economic blockade of the Federal Republic of Yugoslavia on May 30, 1992, because of its alleged involvement in the ethnic and civil war of local Moslems, Serbs and Croats in Bosnia-Herzegovina.

The actual scale of the present losses is evident when one compares all losses with total income and sees that they are bigger than the income of the entire economy by 169.2 percent. In other words, the economy lost 169.2 dinars to every 100 dinars that were invested.

In industry and transportation, the key branches of the economy, losses are three times higher than total income. The water resources management, however, has fared the worst. Its losses are even 20 times higher than total income.

It is not possible to express the figure of 6,826,176,751 million dinars in losses in foreign currency as yet, since the operation is complicated because of the constantly changing rate of exchange. Firms provided figures from January through June. It will now be necessary first to calculate the mean value of the rate of exchange for each month, and only then will it be possible to come out with the sum total expressed in foreign currency.

Serbia

Radicals Move for No-Confidence Vote

LD2709220593 Belgrade TANJUG in English 1746 GMT 27 Sep 93

[Text] Belgrade, September 27 (TANJUG)—Deputies of the opposition Serbian Radical Party (SRS) in the parliament of the Yugoslav Republic of Serbia on Monday launched an initiative for passing a no-confidence vote in the minority government of the Serbian Socialist Party (SPS).

"The minority government was formed by a party which had no clearly defined political concept and claimed to be patriotic only before elections," the SRS said in explanation of the initiative.

The SRS, the strongest opposition party in Serbia, holds 73 of a total of 250 seats in the Serbian parliament.

According to the SRS, Serbian Prime Minister Nikola Sainovic and his ministers have not kept their promises concerning social and economic matters, so that the standard of living and economic conditions have sharply deteriorated.

Chaos in the process of privatization of socially-owned property is also blamed on the government. The government is accused of corruption, poor tax and economic policy which is wearing out the economy and population and support to the country's military top, which the SRS considers incompetent.

The SRS's initiative will be included in the agenda of the Serbian parliament's regular session opening in early October.

The initiative for passing a no-confidence vote in the current Serbian Government has stirred up the Serbian political scene because it may cause a parliamentary crisis and result in early elections.

It is, however, uncertain whether the other opposition parties, especially some parliamentary parties of the centre, would support the radicals' initiative. Some of them agree with the rightist SRS in the assessment that the U.N. Security Council sanctions against Yugoslavia are not the sole cause of the country's extremely bad economic situation.

Comprehensive U.N. sanctions against Yugoslavia were imposed on May 30, 1992 on account of that country's alleged involvement in the civil war in the former Yugoslav Republic of Bosnia-Herzegovina, although Yugoslavia has been in no way involved in the conflict among local Moslems, Serbs and Croats.

Macedonia

Commentary Views Division Within Leadership

AU2409203593 Skopje MILS-NEWS in English 23 Sep 93

["Special feature" unattributed report: "Political Unrest in Macedonia, Division in Government Coalition"]

[Text] The Macedonian public has been stirred these days by the already well known division in the government coalition between the main partners SDSM (Social Democratic Alliance of Macedonia) and the Liberal party. This time, this division became apparent following the interview of the president Gligorov (SDSM) for the independent Belgrade TV station B 92 and the interview of the Speaker of Parliament Stojan Andov (Liberal Party) for the Belgrade newspaper BORBA.

The two heads of the Macedonian state expressed completely contradictory positions regarding Macedonia's role and place on the Balkans.

The president of the Republic is for an European dimension and integration, for an effective incorporation of the already unavoidable U.S. factor in the UN mechanism on a global and through NATO on a European scale.

On the other hand, the Speaker of Parliament is for a more effective bridging of the Atlantic. He supports the U.S. option as opposed to the European which, according to his words, could bring Macedonia back to the divisions from 1913 and 1919.

In a number of articles, the Macedonian press today commented Andov's statements that the media in the Republic is "strictly controlled by the regime." The weekly PULS is asking whether the journalists in Macedonia should attribute all of the successes of the state to him personally, or keep silent about all of the mistakes and failures.

In another article, the same paper is asking "Why the two top Macedonia politicians are not using their own public for expressing their different opinions if at least only one of them felt the need for that." The commentary also expressed the dilemma why that has been done in the Belgrade press in a compromised environment in which all the media is really under the total control of the regime.

The Liberals, who have 18 MPs in the Macedonian Parliament are not content with their position in the government. They believe that the number of their ministers should be (?removed). At the moment, they have only four, namely the minister of foreign affairs, of economy, the deputy prime minister, (words indistinct) and another minister without portfolio.

MILS found out unofficially that in the last few days, [words indistinct] deputy, talks are being held in the cabinet of the Prime Minister Branko Crvenkovski for the possible reconstruction of the government. One of the key problems is which party will control the Agency for Privatization.

Yesterday, at the initiative of the independent MPs, signatures were collected in the Macedonian Parliament proposing a decision to dismiss the Speaker of the Parliament Stojan Andov. This initiative is expected to gain support by the opposition party VMRO-DPME [Internal Revolutionary Macedonian Organization-Democratic Party for Macedonian National Unity], which has been expressing discontent with Andov's handling of the sessions for quite some time. Nevertheless, it can be heard in the Parliament corridors that this initiative will not pass as for its successful implementation, all SDSM votes are necessary. Analysts in Macedonia believe that they still are not ready for such an act.

Petar Gosev's Democratic Party yesterday expressed grave concern over the "unscrupulous power struggle" lead by certain individuals in the government coalition. This party asked for a resignation of the current government in order to give way to the forming of a government of a stable and responsible parliamentary majority, which will finally deblock the institutions of the system, or a intermediary clerk's government, which will organize the new elections.